

Handicraft Marketing Seminar Materials

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EXPLORING SPECIALTY MARKETS

It is very difficult for small, foreign companies to break into the very large U.S. department store and chain store market for handicraft and textile products. For this reason, it may be more appropriate to focus on smaller specialty markets where quantities demanded are smaller, and where buyers are more accessible, have less rigid buying requirements, and are more entrepreneurial and open-minded in their purchasing behavior. Two markets that may meet these criteria are profiled below.

Museums, Art Galleries, and Zoos

In the United States there are a staggering number of museums, art galleries, and zoos, many of which have sophisticated retail shops in order to generate much needed revenue for the institution. The American Association of Museums alone represents some 11,300 museum professionals, volunteers and trustees, has 1500 corporate members and 3000 institutional members. Art museums, natural history museums, historical sites, children's museums, and zoos are some of the organizations represented in this association. The Museum Store Association serves approximately 1900 institutional members and has an annual trade show where vendors can exhibit goods to museum store buyers. To learn more about this potential target market the following web sites and references may be of use.

Organization or Institution	Web Site Address	Brief Description
American Association of	www.aam-us.org	National organization
Museums		representing the museum
		community.
Association of African American	www.artnoir.com	Provides training and member
Museums		services to African American
		museums and museum
		professionals.
National Craft Association	www.craftassoc.com	Information and resource
		center for the professional arts
		and crafts industry.
Association of Children's	www.childrensmuseums.org	Source of information and
Museums		professional development for
		museum professionals serving
		young visitors.
The Museum Stores	www.museumdistrict.com	International organization
Association		representing museum store
		professionals. They hold an
		annual trade show for
		members.

Independent Retailers

Another strategy that might be employed to break into the U.S. market would be to target independently owned retail businesses. For example, there are 64,725 furniture and home furnishings stores and 156,601 clothing and clothing accessories stores in the United States. This does not include either department stores or discounters or mass merchandisers. All of these stores are potential outlets for your products.

As an example, one subset of this category are businesses which are owned by or cater to African Americans.

Following are some demographic characteristics of this market segment.

- African American population in the U.S. is over 36 million. This represents approximately 13% of the total U.S. population. It is expected that this population will grow to 61 million by 2050, at which point it will represent 15% of the U.S. population.
- ➤ There are 1.8 million affluent African American families. There are 1.9 million children in these families. Nearly all affluent families live in urban areas.
- ➤ African Americans are younger than average.
- ➤ There are more African American women (53%) than men (47%). Since African American women consume more goods and services than men, African American women represent a significant target market.
- African Americans tend to live in urban centers more than the general population.
- ➤ Most African Americans live in the southern United States.
- Many African Americans have ties to other countries.
- ➤ African Americans are highly style conscious.
- African American consumer expenditures are growing at above average rates.
- African Americans spend more than \$32 billion on apparel and footwear and \$14 billion on household furnishings and equipment each year.

Sources of demographic information: Report titled "The U.S. African American Market" by MarketResearch.com; article titled "Opportunities Overflow in the Fast-Paced Retailing Industry" by George R. Auzenne, The Black Collegian Online.

START WITH THE FACTS – THE IMPORTANCE OF TARGET MARKETING

Regardless of what market you are targeting, marketing is a customer-oriented approach to business that starts with a thorough knowledge of both the consumer's **and** your customer's needs and wants. This is the basis for ensuring that all business decisions are made with the objective of serving the target segment better than your competition does and within the company's resources. This process is commonly referred to as the Four C's – Consumer, Customer/Channel of Distribution, Competition and Company.

Consumers

Clearly defining and understanding your target	Some aspects to consider:
consumer is a key requirement:	
Consumer profile – statistical definition of age,	The tighter the definition, the more efficient the
income, marital status, occupation, location, ethnic	focus.
background.	
Image perception - How do they perceive your	Is it by item? Is it a line of products? Is it a
type of merchandise?	famous brand name?
Purchasing patterns – How, when, where, why,	Various segments shop differently. For example,
what do they purchase?	working mothers vs. single men. It's important to
	think about who will be ultimately using your
	products and where they will be shopping.
What are current consumer attitudes, opinions, and	Are the consumers in your target market risk
ways of thinking?	takers, culturally aware, or conservative and
	traditional?
How are their values or standards in life changing?	Have current world events affected consumers'
	buying patterns? Travel patterns, amount of time
	spent at home with family, time availability for
	shopping are all issues to consider.
What is your target consumer's way of life?	Highly social, experimental, reclusive?
How will changing statistical characteristics of the	Aging baby boomers, increasing affluence in
population affect business?	African American population.
Where are your target consumers located? What	Major metropolitan centers, rural areas, widely
are the primary and secondary geographical	spread out throughout country, concentrated in one
markets for these consumers?	primary geographical area.

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Information on the Four Cs was adopted with permission from a seminar on Marketing to Retailers conducted by John Williams of the J.C. Williams Group, Toronto, Canada.

Customer/Channel of Distribution

A detailed knowledge of your retail customers,	Some aspects to consider:
how they serve various consumer segments, and	
how they buy is critical to selling to them.	
Customer profile – type of store, size of stores,	The tighter the definition, the more efficient the
geographical locations, who their target consumers	focus.
are, pricing strategy, financial strength,	
organizational structure.	
How big is the market and what share of the market	Are you targeting the right customers in this
does each type of retailer have?	market? Who should your key target accounts be?
Image perception – How do they perceive your	Is it by item? Is it a line of products? Is it a
type of merchandise?	famous brand name?
Purchasing patterns – How, when, where, why,	Do they buy seasonally or for special occasions?
what do they purchase?	What is the buying cycle? Are they accustomed to
V 1	purchasing goods offshore? Do individuals make
	buying decisions or are they made by committee?
	Do they buy centrally, regionally, or at the store
	level? Do they attend trade shows? Do they prefer
	to buy through sales agents or direct from the
	manufacturer? Do buyers travel?
What are current customer attitudes, opinions and	Are the customers you are targeting risk takers,
ways of thinking?	culturally aware, or are they cautious and risk
	averse?
How are their values, standards in life, and	Have current world events affected customers'
economic realities changing?	buying patterns? Travel patterns, inventory levels,
	shipping lead times all tied to financial budgets are
	realities for today's buyers in all markets.
Where are your target customers located? What are	Major metropolitan centers, rural areas, widely
the primary and secondary geographical markets	spread out throughout country, concentrated in one
for these customers?	primary geographical area. How does this affect
	shipping of your products? Do they go to one
	central distribution center or will you be expected
	to ship to a variety of locations?
What innovations are occurring in retailing?	Can you capitalize? How does access to internet
	affect your ability to service foreign markets?

Competition

An honest, objective assessment of competition	Some aspects to consider:
is critical to knowing how to outperform	
competition:	
Who are your key competitors? How big is the	Do you have a lot of competitors? If so, what will
market and what share of market do your key	set you apart and make you unique?
competitors have?	
What are your competitors' strengths and	Where can you outperform? Where will you need
weaknesses?	to improve? What are the advantages of dealing
	with you instead of your competitors?
What are the competitors' strategies? How are	Can competition be beaten? Examine realistically
competitors positioning themselves in the market?	where there is an opening and be careful not to
	spend valuable resources pursuing business that a
	competitor cannot lose. Is a dominant firm already
	in a position you would like to be in?

Company Information

How is your company doing?	Some aspects to consider:
Is your company profitable and can you cover the	Selling to customers in the U.S. can be both time
costs to expand into an international market?	consuming and expensive. Do you have the
	resources, or are the resources available to do this
	effectively?
Do you have good organizational systems?	Exporting to the U.S. requires significant backup
	documentation. Do you have the systems in place
	to keep track of invoices, purchase orders from
	suppliers, country of origin of raw materials, etc.?
Do you have an adequate line of credit or are the	Are you on good terms with your bank? Can your
banking facilities available to you willing to extend	bank facilitate letters of credit to U.S. customers?
credit to foreign customers?	Is your operating line sufficient to cover the initial
	exporting start-up costs or do you need to take a
	loan or secure an equity investor? Have you
	calculated those costs?
Is there someone who is responsible for the results	Do you have the vision, ability, patience, and
and leadership of the company?	stubborn willpower to overcome the many
	obstacles you will face?
Is there sufficient staff to do the job well without	You cannot do it alone. Do you have trained,
placing undue stress on management?	reliable, responsible staff to assist you in
	accomplishing your objectives and to manage the
	company if you need to travel abroad?
Do you have the knowledge to keep up with	You will need inside or outside assistance to ensure
modern management techniques expected by U.S.	that you get it right the first time. You may not get
customers?	a second chance. Have you established a good
	advisory team?
How will specific economic factors impact on your	How will the U.S. economy, trade policy between
business?	your country and U.S., currency valuations affect
	your export strategy?

UNDERSTANDING HOW SPECIALTY BUYERS PURCHASE

Characteristics of the Museum, Art Gallery, and Zoo Souvenir Retailer

Some key characteristics of this target market are as follows:

- > Stores are often run and/or managed by volunteers, therefore there is considerable turnover in staff. This can be disruptive to vendors if a store buyer is a volunteer.
- > Purchases are sometimes made by committee, therefore vendors can experience lengthy delays in purchasing decisions.
- > Buyers often have several other responsibilities within the organization, so saving them time is a critical selling feature.
- In large organizations like the Metropolitan Museum of Art in New York City, buyers have product specialties, therefore there is a different buyer for each type of commodity.
- While there are thousands of museums, art galleries and zoos throughout the United States, there is a higher concentration of these organizations in major metropolitan centers like New York and Washington. Geographically, this makes servicing this market relatively cost effective.
- ➤ Generally people who work in museums are interested in learning about the world outside of the United States. They like to travel and may be open to inquiries from African vendors.

On the following page there is a profile of the Museum Store Buyer provided by the Museum Store Association. You can also learn more about specific museums and the types of products sold at museum stores by referring to the following web sites.

Web Site Address	Brief Description
www.musee.com	Directory of on-line museum stores
www.museumspot.com	A guide to museums and other cultural information
	on the web
www.museumstuff.com	On-line directory of museum resources and
	information
www.museumsusa.org	Web-site dedicated to information provided by
	State museum associations throughout the U.S.
www.nymuseums.com	On-line news service dedicated to museums and
	exhibitions in New York City and surrounding
	areas
www.americancraft.com	A web site for an organization that attempts to
	put art gallery buyers in touch with artists and
	vice versa

MEET THE MUSEUM STORE BUYER

It's difficult to generalize about museum store buyers. Each buyer represents a museum with an individualized collection and each seeks merchandise to reflect that collection and to serve a targeted customer. Nonetheless, most museum store buyers share common traits and working conditions.

- Buyers for museum stores typically perform multiple jobs in addition to buying merchandise, they often manage the store, design displays and coordinate the volunteer program. Even at bigger museums, buyers often shoulder responsibility for day-to-day store operations. Because they are so busy, they prefer to work with vendors who schedule sales appointments and who provide catalogs that can be perused during quiet time.
- Museum store buyers tend to value long-term relationships with trusted vendors. They appreciate vendors who consistently fulfill

- orders in a timely fashion, and they like working with those who have a proven track record for quality service and products.
- Museum store buyers are constantly in search of new products. Many visit multiple gift markets, including the MSA, Expo, to meet new vendors and examine wares.
- Many buyers use gift shows as research rather than buying opportunities. This is particularly true of first-time attendees to MSA's Annual Meeting & Expo. An estimated 80 percent of all attendees place orders at the Expo, but they also collect data, meet new vendors and return home to contemplate what they've learned before ordering. Some buyers must submit purchasing plans for approval by the museum hierarchy. They place orders only after their product selections have been approved.

DOING BUSINESS WITH MUSEUM STORES

As nonprofit retail entities, museum stores differ substantially from their for-profit counterparts. Doing business with museum stores become easier when you understand how they operate and why they follow certain practices.

- U.S. Museum stores must adhere to IRS guidelines for nonprofit institutions. The IRS requires that merchandise in museum stores be related to the museum's collection. Hence, a product suitable for a natural history museum might not be suitable for an art museum.
- Museum stores have an educational mission.
 Buyers strive to find products that teach and stimulate interest. They want to educate their customers about a product's cultural context, its production process or the artist behind it. Buyers have found that when descriptive literature accompanies products, they are better able to advance the museum's mission.
- Museum stores often carry merchandise for shortterm, one-time engagements. Special exhibits come and go. Buyers might need huge quantities of a particular item for one season but none at all thereafter.

- Museum stores abide by the purchasing and payment procedures of their institutions. Many museum store managers must go through a central accounting office when placing orders and paying bills. As departments within tax-funded institutions, many must use purchase orders for procuring merchandise. Few museums pay cash for shipments on delivery. Although museum stores generally are reliable business partners, payment might be slower than is customary.
- Peak seasons vary from museum to museum. Some stores do their best business during the summer tourist months. Others are busiest when school is in session and the museum caters to tours. Some, like their for-profit counterparts, rely on the Christmas season to generate a large percentage of their annual revenues, others are not even open for the holidays.

With their individualized collections and focused missions, museum stores offer vendors access to a dynamic and distinct retailing niche.

Characteristics of Independent Retailers

There is considerable opportunity to sell both arts and crafts and apparel products to independent specialty retailers in the United States. Characteristics of these independent specialty stores and their buyers are as follows:

In the Arts and Crafts Category -

- > Stores are typically located in major urban centers.
- ➤ Buyers like to travel to purchase unique items for their stores.
- > They often cater to affluent consumers so they look for interesting, good quality products.
- Stores are usually independently owned by an owner operator. Often they can be reached easily by phone or e-mail. They are easier to contact than department store or chain retailers.
- They may wish to purchase on consignment for expensive items.
- They are probably knowledgeable on importing since this may form a significant part of their business. They may or may not be willing to incur the shipping and importing risk, and to deal in a currency other than U.S.\$.

To learn more about these types of retailers and to view some of their web sites, go to http://yahoo.com/business_and_economy/shopping_and_services/arts_and_crafts/cultures_and_groups/african/. This web site provides a list of unique African retailers who sell African products in stores and on-line. Look also under specific types of crafts and products in http://yahoo.com/business_and_economy/shopping_and_services/arts_and_crafts/cultures for American retailers selling Africa products.

In the Apparel Category –

- > Stores are typically located in major urban centers
- ➤ Buyers purchase products both domestically and abroad. They often attend trade shows and purchase from manufacturers' sales representatives. Trade show listings are included later in the workbook
- ➤ They are very fashion/style conscious, as are their customers.
- > They may buy seasonally at trade shows and fill in inventory at other times of the year.
- They will have varying degrees of financial success and may pose a credit risk.
- They may be unfamiliar with importing from another country and will be unwilling to do any extra work. You will have to make things simple for them.
- > They will expect to do business in U.S. \$.
- They may be cautious and therefore order quantities can be quite small initially.

To learn more about the characteristics of African American women and to view on-line retailers catering to this market, you may wish to visit www.africansisters.com.

The following web sites provide general information on trade shows, merchandise marts and other apparel industry resources and links that may be useful in identifying target customers, sales representatives, trade shows, and in answering questions related to the U.S. apparel and textile sector.

Web Site Address	Brief Description
www.tsnn.com	A comprehensive directory of trade shows by
	industry. There are several apparel industry
	categories.
www.apparelsearch.com	An on-line guide to the apparel and textile industry.
	Provides a wide variety of links to manufacturers,
	retailers, freight companies, trade shows and many
	other resources useful to people in this industry.
www.apparelnews.net	An on-line magazine for the apparel and fashion
	industry.
www.infomat.com	A fashion industry search engine that includes
	useful links and information on buying offices,
	sales representatives, trade shows, and industry
	associations. Some information must be purchased.

Getting an Appointment with a Retail Buyer

Retail store buyers have increasing pressure to produce more with fewer resources. For this reason they are often inclined to stick with tried and true vendors whose product lines they know will produce the gross profit margin required by their superiors. As a result it is often very difficult for a new vendor to get that crucial first appointment. While it may be true that buyers in specialty markets may be more open minded than those in large chain or department stores, they will still be under pressure to perform. The vendor therefore must convince the buyer that her company can deliver the following:

- A creative, interesting product or product mix that will sell through at full mark-ups to the consumer.
- The ability to deliver the quality level that is displayed in the sample that is shown to the buyer.
- The ability to ship the product on time at the price that was agreed to.
- A willingness to support this purchasing agreement with guarantees. The buyer must be confident that defective or damaged merchandise will either be replaced by the vendor free of charge, or that he/she will be refunded for the purchase price of the item.

Even if the vendor is able and willing to do all of these things, it can still be very difficult to get that first foot in the door of the buyer's office. Following is a plan that may assist in that process.

Researching the Store and Buyer's Preferences

Visit the retailer's store or web site or conduct a simple buyer survey before you or your sales agent makes that first call. A sample questionnaire is included in your workbook for your use. Familiarize yourself with the retailer's product line and have some clear ideas on how your product or product line will fit in. Learn what issues are important to this specific buyer.

Specifics that you will want to consider are:

- Price points What are the standard price points in the store? If your products sold for a similar price, would the retailer be making an acceptable gross margin on your products? What is an acceptable gross margin for this particular retailer? Are you able to sell your products profitably for the amount that the retailer could realistically pay?
- Purchasing Quantities How much stock is the retailer likely to carry of products in your category? What is their usual initial order size? Do they typically repeat orders?
- Seasonal Purchasing Do they purchase during certain months of the year? When are those months? When would they rather not hear from you?
- Target Consumers Who is the store's primary target market? How does this affect price and quality expectations?
- Packaging and In-Store Promotions Does the buyer favor vendors who provide special
 package or in-store support or display features? If so, what do other vendors provide and
 what is expected of you or your sales representative? What are the costs of these additional
 services?
- Delivery What are typical lead times for this buyer from order date to delivery? Can you
 meet that schedule, or can you convince the buyer to alter these guidelines by offering other
 unique features or services?
- Payment Terms How do they typically pay? How will you ensure that you are paid and will the buyer be comfortable with the terms that work for your company?

Making Contact with the Buyer²

Once you have thoroughly researched the buyer's product mix, store, and preferences, you can use the following approach to make contact:

➤ Write a letter or e-mail to the buyer introducing yourself, your company and your products. You may already have done this if you have sent a sample survey. If this is a second letter, it should include more detailed information on your products. You may wish to include catalogues, product specification sheets like those included in your workbook, photographs of products, swatch cards, etc. Close the letter by saying you will follow up by phone or e-mail.

Adapted from a speech by Sandra Classic in the Seminar on Marketing to Retailers with permission from J.C. Williams Group, Toronto, Canada

- ➤ One week following the buyer's likely receipt of your package, follow up by phone or email. If the buyer is not available and you get voice mail, check with his/her receptionist to determine if he/she is in town. If so, leave a message. If your message is not returned within two days, repeat the call or e-mail message. Try this two more times if necessary. If the buyer is not in town, find out when he/she will be returning and call then. If these approaches fail to get you a reply, try the following.
- ➤ Call the buyer's assistant if he/she has one. This person's name is usually easily retrieved from the main receptionist. Perhaps that assistant will be able to contact the buyer on your behalf or suggest the best time for you to try to make contact with the buyer. Ask if you can follow up in a couple of days, and make sure you contact that assistant on the day that you prearrange.
- If neither of these approaches works, file this contact for follow up in a month's time and go on to the next. There is no point wasting valuable resources and time on an uninterested buyer. In a month there may be staff changes that will work in your favor.

Your First Meeting or Phone Call with the Buyer

First impressions can make or break your relationship with the buyer, hence the importance of anticipating the buyer's needs and wants before you (or your sales agent) speak with her personally. A knowledgeable vendor will be more likely to attract the buyer's attention and command respect. Keep in mind these people are often very busy and you don't want to be perceived as wasting their time. You should be prepared to speak knowledgeably about all of the topics of concern to the buyer. Have the buyer's completed questionnaire (if you've received one) handy when you make the call in case you need to refer to it.

Even if your conversation goes smoothly, you may be faced with a hard economic reality. The buyer may have finished her purchasing for the season. If you are presented with this objection try to persevere. Suggest to the buyer that you think she would still be impressed with your products and services and you would like to either meet with her personally or send a sample anyway in anticipation of her next seasonal cycle of purchases. You want to be at the top of her list when she is starting to purchase the following season so that she will allot inventory space and purchasing dollars to your product line.

If the buyer agrees to meet with you (or your sales agent) or to review your products, ensure that you write down exactly what it is she wants to see. During your meeting or when you send your written presentation, these are the items that should be presented first. Don't exclude other products that you think would add value to your buyer's retail mix, just ensure that you treat the buyer's specific requests with the respect they deserve. During an initial meeting it is critical to have all details at your fingertips so that you can walk away with an order and close the sale. Review the items of concern to the buyer again, and ensure that you have finalized all of the pertinent information relating to your product, pricing, delivery, terms etc. so that the buyer has all the tools to issue a purchase order.

Sample Letter to Accompany Buyer Questionnaire

(on Company Letterhead)

March 1, 2004 Ms. Jane Museum Store Buver The Really Incredible Museum of Natural History 1000 Museum Road Big City, U.S.A. Dear Ms. Museum Store Buyer: In order to prepare my company for an exciting expansion plan, I am writing to ask a few questions about your organization and the products you purchase for ______(name the store). I own a growing manufacturing company in _____ (your city and country). We specialize in providing ______ (describe your products and services) to ______ (describe your key customers and where they are located). We are considering an expansion into the United States market for (products), and would like to ensure that we have carefully researched your industry in order to adequately and appropriately meet the needs of buyers in this market. We would greatly appreciate your taking a few minutes to complete the enclosed questionnaire that will assist us in preparing our company for this opportunity. You can fax this information to our confidential ____(your fax number). Should you have any questions or fax number at concerns about this matter, please do not hesitate to e-mail me at ______(your e-mail address), or call our sales representative (if you have one) _____ at _____(phone number). Thanks in advance for your cooperation. Yours truly, (Your Name and Title)

Sample Buyer Questionnaire

(on Company Letterhead)

1. Store and Buyer Information:

Name of Company or Organization	
3.6 '1' A 1.1	
Mailing Address	
City, State, Zip Code	
-	
Buyer's Name	
.,	
Phone Number	
2	
Fax Number	
E-Mail Address	
L-Wall Flacticss	
Store's website address	
Buyer's Assistant's Name	
Duyer's Assistant's Ivanic	
Phone Number	
Fax Number	
rax Number	
E-Mail Address	
Number of Stores	
Number of Stores	
Primary Locations of Stores	
*	

2. Buyer Preferences and Requirements:

- 1. What products are you responsible for purchasing?
- 2. What are the key qualities you look for in the products you purchase?
- 3. What are the key qualities you look for in the suppliers of these products?

4.	Would you be willing to purchase products from an African manufacturer?			
	Yes or Maybe (go to 5 and complete questionnaire) No Please tell us why you would be unwilling to purchase from an African manufacturer. Thank you for taking the time to respond.			
5.	Are there any products that you are currently looking for that you are having difficulty sourcing?			
6.	What conditions would have to be met by this supplier to earn your business?			
7.	What lead times are appropriate for the purchase of these products from overseas sources?			
8.	Would you be willing to handle the logistics involved in clearing goods through U.S. Customs? Have you done this in the past?			
9.	Would you prefer to pay for your products in U.S. \$ or would you be willing to pay in the local currency?			
10.	Are there any special labelling, packaging or promotional requirements that suppliers of these products should be aware of?			
11.	Would you prefer to deal with a local sales representative or would you rather deal with the manufacturer directly?			
12.	Do you purchase products at trade shows? If so, which ones?			
13.	Do you belong to trade associations? If so, which ones?			
14.	Do you travel abroad to make purchases? If so, where do you typically travel?			

15.	15. Do you purchase items over the internet?		
		Yes	Could you provide me with the addresses of some suppliers of non-competitive products that we might review.
		No	Please state why you prefer not to purchase items over the internet.
16.			g to purchase items if samples and specification sheets were sent by mail with follow up r must you meet the supplier and/or her representative in person?
17.	Are there are importance	•	equirements that have not been covered in this questionnaire that are of particular
Ma	y I contact ye	ou to follo	ow up on this questionnaire?
Nar	ne and Title	of Person	who Completed Questionnaire:
Dat	e:		

UNDERSTANDING BUYERS' EXPECTATIONS

One of the most common mistakes new exporters make when trying to open new accounts in foreign markets is to assume that foreign buyers will have similar expectations to those in domestic markets. Even in countries with similar standards of living and purchasing behavior, like for instance, Canada and the United States, retail buyers can behave very differently. It is important to understand the expectations of a typical U.S. retail buyer in order to be successful in opening new accounts in this market. In this section we will cover typical expectations of a U.S. buyer in the specialty markets of interest.

The Importance of Sample Products

First, understand that a typical U.S. buyer sees hundreds or even thousands of products from many different suppliers each year. So to ensure that your product is easily identified by the buyer, it is critical that it be correctly labelled with a firmly attached detailed description. The label should include the following information:

- Name, address, phone and fax numbers, e-mail address of your company
- ➤ Written description that you typically use to identify this product
- > Style number that will identify this product
- Color name and number (if there is one) that will describe this product
- > Sizes in which it is available if it is an apparel item, fabric width if it is a textile product, or any other critical sizing information
- Fabric content and country of origin if it is an apparel or textile product
- Pricing in the appropriate currency
- > Any other important information or history pertaining to this product

You may also wish to provide a product specification sheet (sample included in the workbook) that goes into more detail than you can fit on a label. Make sure that you keep an identical sample to the one provided to your prospective customer in order to be able to communicate about this item.

If the customer agrees to purchase the item, ensure that your order confirmation includes the identical descriptive features detailed on your sample label so that there is no misunderstanding about what item the buyer is purchasing. If you make changes to the original sample for a particular buyer, it is a good idea to send a revised sample with a new or slightly modified style number and specification sheet and have them sign that sheet to acknowledge their receipt and approval. This acknowledgement should be faxed to you before you begin production.

The items that you manufacture must resemble **precisely** the sample that you provided to the buyer and that she agreed to purchase. Any discrepancies that may arise in the production process, even if you believe them to be minor, should be discussed and approved by the buyer prior to your shipping the goods.

Keep in mind that a buyer may be purchasing your product several months in advance. Economic changes or employee changes might create an environment whereby the retailer wishes to cancel an order. You do not want to give a new buyer or a buyer who is faced with financial pressure from her superiors a valid reason to cancel your order by shipping a product that is not exactly like the sample you initially presented.

Quality Control Issues

U.S. buyers typically have little tolerance for quality problems in shipments from manufacturers and for good reason. There are usually many potential suppliers for apparel, textiles, and arts and crafts. They can afford to order from only reliable sources. Buyers also have limited financial resources so they want to ensure that those resources are used for products that will sell through to consumers. Sub-standard products will not likely be accepted by the end consumer so the buyer will likely reject them before they even put them out onto the sales floor.

One technique to ensure quality control in the manufacturing process is to implement what we refer to as "front end loading the Q.C. process". This system ensures that defective products never make it to the end of the production line because problems are caught at the beginning of the production cycle. Here's how it works:

- Once a product is approved by the buyer, provide the detailed description of the product from the specification sheet to the contractor or your production supervisor. Add any pertinent information like detailed fabric specifications, detailed sizing information, and other raw materials that are required to produce the product. Ensure that whoever is manufacturing the product knows exactly what it looks like and also has all pertinent information in writing. Keep copies of all correspondence.
- Request a first production sample, and when it is received, ensure that it exactly matches the sample the buyer approved. If there are mistakes or modifications, detail them in writing and request another production sample. Label all samples appropriately (*i.e.*, Production Sample 1, Production Sample 2, Final Approved Production Sample). Repeat this process until the production sample is perfect. Only then should the manufacturer proceed with the bulk of production.
- Make sure that whoever is manufacturing the goods knows that you will be inspecting items prior to their shipment and that you will also be inspecting the packaging that is used for shipping. Your expectations re packaging should be clearly stated along with your other written specifications. This will be discussed in more detail later in this section.
- ➤ Do a mid production random inspection if possible and/or a final random production inspection prior to shipping. Do not ship substandard goods. They will be returned.

Size Specifications

Ensure that you and the buyer have come to an agreement on the size specifications that you will use, particularly for apparel products. A good standard can be found on the Lands End web site at www.landsend.com. This seasoned catalogue retailer provides detailed size specs for ladies', men's and children's apparel, and footwear for U.S. consumers.

Errors and Return Policies

U.S. buyers will expect to receive exactly what is reflected on their purchase orders and will not hesitate to return faulty merchandise or to refuse shipment if packaging or quantities do not conform to purchase orders. A 100% no-questions-asked guarantee is standard in this market. Mistakes can sometimes be resolved without a return of merchandise, but a substantial discount will be expected. Given the problematic nature and the ensuing expense involved in returning goods shipped from Africa, it is best to ensure that you precisely meet the buyer's expectations as reflected in the sample presented and the purchase order received.

Packaging, Labelling, Ticketing and Shipping

With large U.S. retailers these factors are sometimes as important to the retailer as the product they are purchasing. In specialty markets the requirements may be a little less stringent, however they should still be addressed. Specialty retailers may have limited manpower and storage space that might affect how the goods are received. Some extra requirements that you may encounter are as follows:

- Packaging Some retailers like to have items individually poly-bagged and the bags labelled
 for easy, clean storage. They may also have insufficient fixtures on which to display your
 products so providing point of purchase displays may increase your ability to get your foot in
 the door.
- Labelling U.S. customs has detailed content and country of origin labelling requirements
 that must be adhered to for all U.S. imports. This will be discussed in more detail later in this
 workbook. More and more retailers are trying to distinguish themselves from their
 competitors by private labelling the products they sell in their stores. They may require you
 to attach their unique label to the products you are manufacturing.
- Ticketing Often retailers have bar coded point of sale terminals and will want you to ticket your products with an easy to scan bar coded sales ticket.
- Shipping Retailers may request that cartons used for shipping be of a certain size and weight and that they be labelled in a way that will allow for easy storage when they are received either at their store or warehouse. They may also require vendors to make shipping appointments. Your freight forwarder needs to be aware of any such requirements.

PRESENTING PRODUCTS AND PRICE LISTS TO BUYERS

While some companies go to great length to provide expensive catalogues and brochures of products, the rapidly changing nature of the handicraft and textile industries often makes this process prohibitively expensive for the small entrepreneur. Independent retail store buyers and museum store buyers are quite accustomed to receiving less lavish presentations from smaller manufacturers. While the presentation does not need to be expensively produced, it does need to be well organized and all of the appropriate information that the buyer needs to make a decision must be included. The <u>Sample Specification Sheet</u> for an apparel product and the product and company fact sheets on the following pages accomplish those objectives.

Presenting Prices to Your Customer

When quoting a price to a U.S. customer it is important to be clear on exactly what that price covers. Following are a variety of costs associated with exporting a product to the United States. Your quote should clearly stipulate who is responsible for covering each of the costs associated with the items below.

- Special packaging for overseas shipping
- Duties
- > Freight
- Brokerage
- > Insurance
- Financing charges like L.C. costs
- ➤ Domestic shipping in the United States
- > Sales taxes (if applicable)
- Any other handling or special costs associated with an export shipment
- Quota costs (if applicable)

Other issues that should be discussed in the quotation are:

- Currency used
- > Purchase quantities upon which the price is based
- > Payment terms
- > Product guarantees and return policies
- The period of time for which the price is valid

A detailed price list can be developed to include all of this information, or a written quotation attached to the specification sheet on company letterhead will also suffice. This is particularly appropriate if you are only quoting on one or two items, or if you have made modifications to items or developed products specifically for this customer. Make sure that the written quotation accompanying the specification sheet cross-references the product's style number and any other critical information that can affect pricing.

Sample Specification Sheet (on company letterhead)

	Product Name: Style Number: Product Description: (include details on product type, sleeve characteristics, neck treatment, waist treatment, pockets, closures and fastenings, and other important specific information)
ILLUSTRATION OR PHOTO OF PRODUCT	
	Colors Available: (name and number) Fabric Content: Sizes Available: (attach a size specification shee it you have and)
Colors or Fabric Swatches	Packaging: Available to Ship: (provide date)
Additional Information:	

Product Fact Sheet

Company contact information	Name, Address, Phone number, E-mail, Website	
Product name	Whole kernel canned corn	
Common and scientific name	Crisp'n Sweet variety – Maize	
Product ingredients	Official scientific names if possible	
Materials used for manufacturing		
Product packaging specifications	Size: Net weight and drained weight	
	Pack: Units per case	
	Case dimensions: Metric and American Standard	
	Case weight: Metric and American Standard	
Export packaging	How many are shipped in a 20' container, 40'	
	container, pallet load, hand stacked?	
Product features	Why would the customer buy your product over	
	anyone else's?	
Product certifications or unique	Is your product certified organic, hand made,	
features	ecologically harvested, indigenously produced,	
	environmentally friendly, ISO certified, Kosher, all	
	natural?	

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A Company Fact Sheet is a simple one page introduction to the company. It needs to include the following information:

Company Fact Sheet

Company Name	Official name and marketing name, if different.
Address	Complete address, including country.
Phone Number	Internationally accessible phone number.
E-mail Address	Be sure to respond to email inquiries, if you include an email
	address.
Website	
Corporate Bank Information	Include your bank name, contact person, and phone number.
	Your customer will use this to obtain bank references.
Tag Line	Simple one line phrase to identify the "image" of your
	company.
Corporate Philosophy	A simple explanation about what your company stands for. For
	example, quality, price, service, and innovation. Choose your
	best feature and emphasize it.
Company History	If your company has an impressive history, state when it was
	established. If your company is relatively new, focus on the
	expertise of your founders and employees. For example, "with
	more than three decades of experience in the fish industry,
	2020DC brings you time tested knowledge of the fish market."
List of Products	Without a list of your products, a customer may have no idea
	what you sell after they leave the trade show booth.

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COSTING PRODUCTS FOR EXPORT

Cost Sheet Components

While you are preparing your product and pricing presentation, you should also be working out your costs on the products you intend to export. There are a number of additional costs that must be considered. These should all be factored into your cost **before** you engage in a pricing discussion with your customer. Buyers typically deal with surprises related to the cost of the products they purchase poorly. It is therefore important to ensure that you have considered all the costs of doing business in the United States prior to sending out a quotation. You can be sure that any unexpected costs incurred after you have issued a written quotation will be borne by you the supplier, not the retail buyer.

The <u>Sample Cost Sheet</u> for apparel products on the following page is provided as an example. It is meant to be used for internal company purposes only. You will need to modify the cost sheet to meet the particular needs of your business. Items that would not typically be included on your domestic cost sheet that must be considered when exporting are as follows:

- ➤ Packaging and Labelling could include costs of special cartons for exporting, special labelling to satisfy U.S. Customs, private labelling, individual poly-bagging for secure shipping, etc.
- ➤ Overseas Freight costs of ocean or air shipments
- > Financing cost of opening letters of credit or other special financing arrangements for exported goods
- Exchange Rate current exchange rate between your currency and the U.S. \$. It is a good idea to build in a bit of a buffer for currency fluctuations.
- > Duty the import tax imposed on shipments processed through U.S. Customs (if applicable)
- > Freight Forwarding and Brokerage the costs paid to your freight forwarders and brokers for clearing the shipment through U.S. Customs
- ➤ U.S. Inland Freight the cost to ship goods within the United States after they have cleared customs
- ➤ Quota cost of purchasing quota or meeting other trade regulations required of U.S. importers, if applicable

		Reference No.			
Date of Quotation					
Style Description					_
					_
Style Number Sizes					
Color Description and Number Raw Materials: Fabric Description					
Fabric Supplier Date of quotation from fabric supplier					_
Fabric Cost	No. Metres	Unit Cost	SubTotal	Waste	Total
abile dost	140. Wettes	OTHE COSE	GubTotal	vvasic	Total
Trim Description Trim Supplier Date of quotation from trim supplier					
Trim Cost	No. of Units	Unit Cost	Subtotal	Waste	Total
Manufacturing Details Labor Supplier					
_abor Cost	No. of Units	Unit Cost	Subtotal		Total
Packaging or Labelling Details	Total Cost	Estimated Purchase Quantity			Unit Cost
Packaging Cost Labelling Cost					
Exporting Costs: Quota or other trade related cost Overseas Freight	Total Cost	Estimated Purchase Quantity			Unit Cost
Financing				C	Cost
Cost in Local Currency			-	Currency Rate Used	Cost
Exchange Rate Adjusted cost in U.S. \$			ľ	rtale Oscu	
D.#.	Percentage	Unit Cost			Total
Duty Brokerage J.S. Domestic Freight					
_anded Cost before Markup/Sales Costs				U.S. \$	
Markup % Markup \$ (per unit)					
Sales Commissions/Other Sales Costs	Percentage	Unit Cost			Total
Adjusted Markup \$ (per unit)					

SHIPPING PRODUCTS TO THE UNITED STATES

Packaging for Overseas Shipments

Shipping products to foreign destinations can be costly, time consuming, and risky. It is important to familiarize yourself with all of the procedures involved, but even more important to hire competent experts to properly advise and assist you in this process. This starts with correctly packaging your products to withstand the multitude of handlers, carriers and inspectors who may be physically moving or even opening your packages. Keep in mind that getting your goods to the customer may require some or all of the following:

- A pick up at your warehouse by a domestic freight company's truck
- ➤ A delivery to a freight consolidation warehouse
- A shipment from that warehouse to an ocean vessel consolidator or air transport company
- > Transfer to an ocean container or airplane
- ➤ A waiting period prior to shipment on an airplane or ocean vessel
- A long trip on a ship
- Removal of a container at a port of entry
- ➤ Inspection by a customs official
- > Transfer to a truck for shipment to another consolidation warehouse
- Movement to another truck bound for your customer

Even if goods are being shipped by air, it is easy to see why packaging your products in secure, strong, weather-resistant cartons and/or containers are critical to their safe delivery.

Documentation and Trade Regulations

The apparel and textile industries are amongst the most regulated in the world of international trade. While it is not practical in this short workshop to provide detailed training on this complex topic, the following web sites may provide useful information for this and other industries.

Web Site Address	Brief Description
www.customs.ustreas.gov	U.S. Customs web site
http://www.cbp.gov/xp/cgov/import/textiles_and_q	The section of the U.S. Customs web site that deals
uotas/archived/	with import quotas by country
http://www.cbp.gov/xp/cgov/toolbox/legal/informe	The section of the U.S. Customs web site that deals
d_compliance_pubs/	with compliance information
www.ftc.gov/	The Federal Trade Commission web site
www.ftc.gov/bcp/conline/pubs/products/cln-	The section of the FTC web site that contains the
<u>card.pdf</u>	Clothing Care Symbol Guide
www.ftc.gov/os/statutes/textilejjump.htm	The section of the FTC web site that provides
	general information on care labelling requirements
www.apparelnews.com	An on-line directory that contains information on
	customs, brokers, freight forwarders, shippers and
	other industry related information
www.apparelsearch.com	See description on page 10

Finding Reliable Freight Forwarders and Customs Brokers

Given the complex nature of arranging for the shipment and customs clearing of export shipments, it is critical to employ the services of an experienced and reliable freight forwarder/customs broker. It is especially important to find one who has familiarity with both the commodities that you are shipping and the country to which you are exporting products. Your local trade or business association is a good place to look for reliable companies. Or you might try contacting another company in a business similar but not competitive to yours that exports products to the market in which you are interested, in order to get a referral. A web site that provides a directory of freight forwarding firms is http://forwarders.com/home/international.html.

Insurance

Freight and marine insurance may or may not be covered in a typical business insurance policy. Before you ship goods overseas, ensure that you have adequate coverage in the event of a disaster. You should ensure that your shipment is covered for on-land freight, storage in warehouses that may be temporarily storing your goods in transit, and ocean freight. Usually your freight forwarder can arrange for complete coverage at reasonable rates.

Scheduling and Lead Times

There are a variety of potential problems that may arise in any export shipment. For this reason it is critical to build in extra lead time in the delivery of your order wherever possible. You may need to allow extra time for some or all of the following for a typical marine shipment:

- > Order processing and credit checking or negotiation of letters of credit
- > Manufacturing of products
- Preparation of shipment for export
- > On-land freight to ocean port
- ➤ Waiting period before ship sails
- > Sailing to port of entry
- > Customs inspection and clearance
- > Shipment of goods to end customer

A rule of thumb that is sometimes used in the apparel industry is 90 to 120 days from date of order. This may or may not apply to your product or company.

A checklist is provided on the following page to help you take care of all the details involved in exporting your products.

Ask Yourself These Questions Before Shipping Your Product		Yes	No
1.	Is the Letter of Credit irrevocable?		
2.	Are the amounts and currency of the LC as agreed upon?		
3.	Can the bank issuing the LC be relied upon?		
	If not ask for confirmation of the LC.		
4.	If a fluctuation in price or volume is allowed for, is it shown in the LC?		
5.	Do the quoted numbers and figures match?		
6.	Is my company name and address correct? (If you create all of your documents		
	to match the LC, then there is no need for an amendment.)		
7.	Are the payment terms the same as the draft terms agreed upon?		
8.	Is negotiation of the documents open to my bank or restricted to another bank?		
9.	Is the description of the product correct?		
10.	Are the correct shipping terms written? (FOB, CFR,)		
11.	Are the ports marked correctly?		
12.	If partial shipment is not allowed, will I be able to ship all the merchandise at the		
	same time? (Always request partial shipments allowed, it saves headaches for		
	short shipments).		
13.	If transshipment is not allowed, does the vessel call directly between the port of		
	export and the port of import? (Always request transshipment allowed as it		
	allows flexibility in the case of strikes, storms, etc. and in most cases does not		
	harm the importer).		
14.	Can I meet the schedule for shipment and presentation of documents?		
15.	Will I be able to produce certificates and can those certificates appear on the		
	documents named on the Letter of Credit?		
16.	Is the correct transport document requested? (Ocean Bill of Lading, Air Waybill,		
	etc.)		
17.	Will I be able to provide correct insurance documents covering required risks?		
18.	If an Inspection Certificate is required, will I be able to provide the document		
	signed by the named inspector or inspection agency, within the correct		
	timeframe?		
19.	If the document must be legalized by an Embassy or Consulate, does the Letter		
	of Credit allow enough time to get this done?		ĺ

of Credit allow enough time to get this done?

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GETTING PAID BY FOREIGN BUYERS

There is really no point going to all of this time and trouble if you are not going to get paid by your customer. Establishing payment terms with U.S. customers can be problematic. Here are some ideas on how to approach this important issue.

Letters of Credit and Other Secure Methods of Payment

Typically U.S. buyers in small retail companies are not familiar with letters of credit or other complicated financial instruments; however, they may be willing to guarantee payment with corporate credit cards. If a buyer is purchasing a sizable quantity of products from a foreign company, she may be more amenable to opening a letter of credit. The key to using this method of payment successfully is to ensure you have excellent guidance from your bank, lending institution or freight forwarder/broker when you fill it out. Minor discrepancies in documentation can have serious consequences. Ensure that the documentation that you receive from your financial institution is accurately and completely filled out prior to shipment.

There are also a variety of factoring companies in the United States that will purchase accounts receivables from manufacturers at a discount. They will then assume the responsibility of collecting those receivables. This eliminates the risk of non-payment for the supplier of the goods and services. This is a good solution where profit margins allow for the factor's fee.

Checking Bank and Trade References

Regardless of whether or not you have guaranteed payment through L.C.s or other methods, it is a good practice to conduct a credit check on foreign customers. Requesting names and contacts for at least three trade suppliers and the customer's bank is standard practice in the United States and could provide you with the information you need to determine whether your customer is trustworthy. Requests for credit information should be faxed to references, and you should allow at least 3-5 business days processing time. Banks may charge a fee for this service.

Creating an Effective Business Plan

This paper will aide you in creating a business plan whether you need it for start-up or growth phase, a search for capital, or any other endeavor your business undertakes.

Thanks to the SBA and the American Express Business Network for providing inputs to the following suggested business plan. Various business plan formats have been used in developing a plan that can best suit your needs. The chosen plan has seven key elements listed below. For each and every element you will find a description, instructions for creation, for many, tips for avoiding common pitfalls. To make sure you are you create the best possible plan for your business you can put the methodology into practice and share it with others in a first attempt, and making changes to reflect enhancements. The suggested key elements for the business plan are:

- Introductory Elements
- Business Description
- The Market
- Development & Production
- Sales & Marketing
- Management
- Financials

I. Introductory Elements

The introductory elements of your business plan 1) your cover page, 2) executive summary, and 3) table of contents - determine what kind of first impression you make on readers. In many cases, the introductory elements, especially the executive summary, will determine whether readers read the rest of your plan at all. Moreover, your table of contents indicates how well you have organized the entire plan. For this reason, all of your introductory elements must be excellent and eye-catching both in presentation and substance.

A beautifully crafted plan that is unprofessionally put together will send a strong message to readers about your professionalism and your standards. Your cover page must have all pertinent information, your executive summary must convince readers that your entire business plan is worth looking at, and your table of contents must make it easy for readers to navigate through your plan. Read about each specific element to learn more:

Cover Page

How complicated can a cover page of a business plan be? Well, you might be surprised at how many business owners leave crucial information off of cover pages. Lenders report that they frequently have to call directory assistance to locate an entrepreneur who forgot to include a phone number and other contact information on their business plan.

The purpose of a cover page is to tell the reader what he or she is about to read and also provides detailed contact information. Your cover page is also a way to get your business plan noticed.

Lenders see dozens, if not more, business plans a week and something as simple as printing the cover page on quality stock paper, may catch their eye.

Your cover page should say the words "Business Plan," and should include your:

- business name
- name of contact
- address
- telephone number
- fax number
- E-mail address
- company logo

The date should also appear on your cover page

Executive Summary

The executive summary is what most readers will go to first. If it is not good, it may be the last thing they read about your company. Lenders in particular read executive summaries before looking at the rest of a plan to determine whether or not they want to learn more about a business. Other readers will also go first to your executive summary to get a snapshot of your business and to gauge your professionalism and the viability of your business.

While your executive summary is the first part of your plan, write it last. As you create the other sections of your plan, designate sentences or sections for inclusion in your summary. You may not use these sections verbatim, but this exercise will remind you to include the essence of these sections in your summary. Your executive summary should be between one and three pages and should include your business concept, financial features, financial requirements, current state of your business, when it was formed, principal owners and key personnel, and major achievements.

Tips

- Create your executive summary after you have written the other sections of your plan so that you may cull a few sentences from important sections for inclusion in your executive summary
- Polish your executive summary. Have several people read it both those who know your business and those who do not to check for clarity and presentation
- Be sure to include business concept, financial features, financial requirements, current state of your business, when it was formed, principal owners and key personnel, and major achievements
- Use industry association statistics, market research from other sources, and other documenting information to back up statements you make in your executive summary
- Keep your executive summary short and make it interesting. This is your chance to entice readers to read your entire plan

Table of Contents

Your table of contents provides readers with a quick and easy way to find particular sections of the plan. All pages of your business plan should be numbered and the table of contents should include page numbers. After you assemble your plan and number your pages, go back to the table of contents and insert page numbers. Be sure to list headings for major sections as well as for important subsections.

II. Business Description

Whether you're looking for money or simply creating an internal document, you must be able to present a clear portrait of what your company does. Your business description is your corporate vision, and includes: who you are, what you will offer, what market needs you will address, and why your business idea is viable.

Too many business owners make the mistake of operating without a vision; this may hamper their business' ability to grow and prosper. A business owner without a vision will have difficulty describing his or her business and will provide a long, rambling description, a few stock phrases, or a collection of incomprehensible jargon when asked for one. A concise, easy-to-understand description of your company will not only help your business plan, but will benefit you in any number of other day-to-day situations - from networking to making cold calls to approaching a newspaper for an interview. A typical business description section includes:

- An overview of your industry
- A discussion of your company
- Descriptions of your products/services
- Your positioning
- Your pricing strategy

The Industry

Begin your business description with a brief overview of the industry you will be competing in. Ultimately, you want to demonstrate that you are in a stable/growing industry that has an excellent long-term outlook. You're also setting the stage for your company description by showing where you fit in the marketplace.

Discuss both the present situation in the industry, as well as future possibilities. You should also provide information about the various market segments within the industry, with a particular focus on their potential impact on your business. Be sure to include any new products or other developments that will benefit or possibly hurt your business. Are there new markets and/or customers for your company/companies such as yours? What about national trends or economic trends and factors that will impact your venture?

Tips

- Feel free to be dramatic. You can describe your industry like you're telling a story. Grab the reader's attention with strong, exciting language that will get them interested in your industry and your business.
- Answering "why" makes any description stronger. Saying "the market will grow at 25% annually" may sound impressive. But what caused that rate of growth? Adding "...because a growing number of people, internationally, are becoming more interested in African handicrafts" makes it stand out.
- This is not a discussion of your competition. That information will come later in the competitive analysis portion. Instead, you are providing an overview of the industry where you and other companies will compete.
- Many business plans make the mistake of basing their market observations on assumptions and supposition. Instead, you will want to research your industry and back up your observations with facts. Be sure to note all sources.
- Trade associations are excellent sources of information about trends in your industry. To find the trade association for your industry, consult local Ministry of Trade or the local Chamber of Commerce.
- You may also want to check internet sources related to your industry.
- Don't be afraid to include negative information about your industry. Discussing the possible roadblocks (hopefully not insurmountable) your company might face shows you have a realistic view of the market.
- If you cite information from specific newspaper or magazine articles or research reports, you might want to include a copy in your business plan appendix.

Your Company

The discussion of your company should begin with your mission statement - a one or two sentence description of the purpose of your business and to whom your product or service is targeted. Not being clear in your mission statement indicates that you are not clear about the purpose of your company. The mission statement should be short and explain 1) who you are, 2) what you do, 3) why you do it, and 4) what is you ultimate aim.

Describe Your Company

Once you have your mission statement, you can then discuss the more "technical" aspects of your company. Remember that you're telling your company's story, so even though there are specific areas you will need to cover, you will want to keep it lively and interesting. Some areas you should include are:

- What type of business is it? Could include a short introduction to products made.
- When was the company founded? What is the story behind the founding of the company?
- What is your business' legal structure? Sole proprietorship? Cooperative? Partnership?
- Who are the company's principals and what pertinent experience do they bring?
- What market needs will you meet? Who will you sell to? How will your product(s) or service(s) be sold?

Tips

- Small business owners often get stuck using existing labels which don't accurately describe their companies. Ask yourself what business are you really in? What true benefits do you provide? For example, if you create corporate newsletters, are you just a "newsletter publisher" or do you "help large companies communicate important information to their clients and prospects."
- If you're an established company, give a brief history and cite prior sales and profit figures. If you've had losses or other setbacks, explain why, and discuss what is being done to correct them. Has company ownership changed hands? Be sure to talk about why it was sold.
- When discussing the company's principals, you don't need to run a complete resume save that level of background for later in the plan. But don't be too brief, either. Don't just say "Ajax Financial Services is being founded by Jean Smith." Instead, it's stronger to write something like, "Founder and President Jean Smith, former Chief Financial Officer of Acme Industries, brings 25 years of experience in financial services to Ajax Financial Services."

Your Products or Services

Describe each of your products or services with a particular focus on how it will be used. Go into as much detail as necessary for the reader to get a real flavor for what you are selling. What are the applications and the end uses? Underscore the specific features or variations that your products have.

Stress Your USP

Be sure to emphasize your USP –" Unique Selling Proposition". Your USP is the proprietary information that sets your product or service apart from your competition. If you are using your business plan to solicit funds, this is what your reader will want to see. If it is an internal document, your USP will be critical to your sales and marketing strategies. Without a USP, your product or service will appear drab and there will be no compelling reason for people to buy it.

What would some USPs be? For a food product, it could be a proprietary recipe (like Kentucky Fried Chicken's secret recipe) or a special way the food is served (like Boston Market's hand-carved turkey). BOTZAMNAM weaver's USP is that they provide authentic southern African

designs made with the finest wool. Virgin Records' USP would be its broad selection of all types of music and its knowledgeable floor staff.

Tips

- Focus on your success factors. In other words, think about how you are going to make profit. Why will your products or services be successful in the marketplace? There are any number of reasons you can use it's a well-organized business, we use state-of-the-art equipment, our location is exceptional, the market is ready for our product, it's a great product at a fair price, etc.
- If you are selling a product, you may want to include full specifications. If available, include a quality photograph as well.
- One of your challenges will be to keep the "unique" in your USP. If there is a chance your competition will begin offering products or services that also have your unique features, then you should also discuss how you plan to remain ahead of the pack.
- Be specific in describing your competitive edge. Don't just say something like "we intend to provide better service." Explain how you will do so, and why that sets you apart from your competitors.

Your Products or Services

Describe each of your products or with a particular focus on how it will be used (is it decorative or functional). Go into as much detail as necessary for the reader to get a real flavor for what you are selling. What are the applications and the end uses? Underscore the specific features or variations that your products have.

Pricing

Discuss what you will charge for your product or service and how you derived the price. For example, a luxury handicraft exporting business sets prices not only to cover costs and make a profit but also to include cost associated with the luxury and handmade aspects of the items. A printing shop with a good location charges slightly more than its competition because it has a convenient location and it has determined that the market will bear the higher price.

Once you have briefly explained your pricing and rationale, discuss where this pricing strategy places you in the spectrum of the other providers of this product or service. Next, explain how your price will: get the product or service accepted, maintain and hopefully increase your market share in the face of competition, and produce profits.

Tips

• Investors are used to seeing (and rejecting) business plans in which an entrepreneur says the product or service they want to create will be higher in quality and lower in price than those of their competitors. This makes a bad impression because it's usually unrealistic. If

you really do have a higher quality product, it will appear that you may plan to underprice it, and consequently undersell it.

- Costs tend to be underestimated. If you start out with low costs and low prices, you leave yourself with little room to maneuver, and price hikes will be difficult to implement.
- If you charge more than competitive existing products, you will need to justify the higher price on the basis of newness, quality, warranty, and/or service.
- If a price will be lower than that of an existing, competing, product or service, explain how you will maintain profitability. This may happen through more efficient manufacturing and distribution, lower labor costs, lower overhead, or lower material costs.
- Discuss how higher prices may reduce volume, but result in high gross profit.
- Many of the sections that follow from manufacturing to marketing to the amount of money you need will be based on price estimates you create here.

III. The Market

This section is designed to provide enough facts to convince an investor, potential partner or other reader that your business has enough customers in a growing industry, and can garner sales despite the competition. It is one of the most important parts of the plan, taking into account current market size and trends, and may require extensive research.

Customers

It is important to be thorough and specific when creating a description of the target customer for your product or service. This description defines the characteristics of the people you want to sell to and should indicate, among other things, whether your customers are cost or quality conscious, under what circumstances they buy, and what types of concerns they have. If you have an existing business, list your current customers and the trend in your sales to them.

To create a customer definition, describe your target customers in terms of common identifiable characteristics. For example, a catering company could target up market customers in the metro Lusaka area who need to hire caterers for their official or personal functions. A carpet weaving business can sell directly to hotels and tourist outlets.

Tips

- Narrow the field by briefly describing customers you don't want to reach. High-end general contracting services would not have people who buy on low price as customers.
- A common mistake is to describe customers in general terms, such as all "people who want to buy a bicycle," or "anyone who needs a resume created." Avoid this stumbling block.

• Be sure to include details of what geographic region you plan to sell to. Is your market national, regional, international, or local?

Market Size/Trends

This section defines the total market size as well as the slice of the market your business will target. Use numbers as well as trend information to make a case for a viable current market and its growth potential.

After you define the total market, create a description of your target market by using geography, company size, business organization, lifestyle, sex, age, occupation, and other characteristics to describe the companies or consumers likely to buy your product or service.

Tips

- When discussing any market size, be sure to talk about factors affecting market growth industry trends, socioeconomic trends, government policy, population shifts, etc. Show how these trends will have a positive or negative impact on your specific business.
- Remember to cite all sources for your data. This will prove that you've done your homework, and will assure the reader of your plan that your information comes from a reliable source

Competition

The competition section indicates where your products or services fit in the competitive environment. Presenting your business in the landscape of its competitors proves that you understand your industry and may be prepared to cope with some of the barriers to your company's success.

Present a short discussion of each of your primary competitors. If possible, include their annual sales and their market share. Each assessment should include why these companies do or do not meet their customers' needs. You should then explain why you think you can capture a share of their business.

Strengths and weaknesses can fall into a number of different categories. Sales, quality, distribution, price, production capabilities, image, and breadth of products/services are all ways companies differentiate themselves. Ask yourself: Who is the price leader? Who is the quality leader? Who has the largest market share? Why have certain companies recently entered or withdrawn from the market? These factors are critical to a successful competitive analysis.

Tips

- **Never** say "we have no competition." Lenders won't believe you. Even if your product or service is truly innovative, you need to look at what else your customers could buy instead
- Many business plans fail to give a realistic view of their true competitive universe by defining the competitive field too narrowly. Think as broadly as possible when devising a list of

competitors by characterizing competitors as any business customers may patronize for similar products or services

•To determine your competitors' strengths and weaknesses, evaluate why customers buy from them. Is it price? Value? Service? Convenience? Reputation? Very often, it's "perceived" strengths rather than "actual" strengths that you will be evaluating.

Estimated Sales

Estimated sales for your business are based on your assessment of: the advantages of your product or service, your customers, the size of your market, and your competition. This should include sales in units and figures for the next three years, with the first year broken down by quarter if that's appropriate for your industry. These numbers will be crucial to other financial documents you present later in the plan.

Use a one-paragraph summary to justify your projections. Be sure to use a succinct statement of what sets apart your product or service from other companies in the marketplace. Include a brief discussion of any customer commitments. Also state why you envision your customer base growing, and indicate how you will garner this business.

Tips

- If you derive your average sale per customer from trade association information, research, or interviews with business owners in similar endeavors, cite those sources in this section to provide credibility to the numbers on which you base your sales projections.
- Do not make exaggerated projections. They will ruin your credibility as a reputable business person. A common mistake is assuming your business will have a few modest years and then a dramatic increase in sales when "the market takes off."
- Use "best case," "worst case," and "likely" scenarios to create a spectrum of sales projections.

IV. Production

In this section you will describe the current state of production. This is also where you familiarize your reader with how your product was created and produced. This section must include details of development costs, location and labor requirements.

Production Process

An lender will only provide money for a business he or she understands, so walk the reader through the stages of product production from the inception of the idea to when it can be sold. A company that helps its customers determine Web strategy, for example, would describe the process of finding out about client objectives, researching current offerings on the Web, and presenting a solution. If you were referring to a jewelry making business, your production process section would describe the design, acquisition of raw materials, molding, and finishing.

Make or Buy

Part of your production process discussion will be a justification of the make or buy strategy for production components. Make or buy strategy focuses on whether you will create all components necessary for the production of your product or service in-house, or buy a service or a product to add to yours. A pillow production company, would discuss spikes in production and the cost savings incurred by subcontracting sewing (buy) rather than keeping the sewing (make) in-house.

Tips

- Be sure to justify your make or buy strategy by explaining why your approach will lead your business to greater profits.
- Avoid the common mistake of skipping the make or buy section and justification simply because you are starting or running a service business. If you are starting a consulting business, make a case for why assistants and other support staff will increase profits.

Cost of Production and Development

Present and discuss a design and development budget. This budget should include the cost of the design of a prototype as well as the expense to take it into production. Be sure to include labor, materials, consulting fees, and the cost of professionals such as accountants

Tips

- Design and development costs are often underestimated. Contact a trade group to find out about average industry costs for developing products similar to yours.
- When charting costs, provide a contingency plan for what will happen to costs if problems such as delays, a failure to meet industry standards, mistakes, etc. occur.

Human Resource Requirements

Your management team is outlined in the management section. This section provides details of other labor you will need to start up and run your business. Address how many people you require and what skills they need to possess. Be sure to cover the following issues:

- Is there sufficient local labor? If not, how will you recruit?
- Is labor trained? If not, how will you train them?
- Cost of labor, current and future.
- Plans for ongoing skills upgrading training.

Expenses and Capital Requirements

You must also create three financial forms that will build a foundation for the Financials section of your plan: operating expenses, capital requirements, and cost of goods. Generate spreadsheets for the year in which you establish your business as well as projections for two years after. You may require the help of an accountant or someone familiar with the cost of doing business in your industry and chosen business.

Operating Expenses

By creating a financial form called Operating Expenses, you pull together the expenses incurred in running your business. Expense categories include: marketing, sales, and overhead. Overhead includes fixed expenses such as administrative costs and other expenses that remain constant regardless of how much business your company does. Overhead also includes variable expenses, such as travel, equipment leases, and supplies.

Capital Requirements

This form details the amount of money you will need to procure the equipment used to start up and continue operations of your business. Capital Requirements also includes depreciation details of all purchased equipment. To determine your capital requirements, think about anything in your business that will require capital. For a diaper delivery service this might be a van, washing machines and dryers, irons and ironing boards, and supplies. Manufacturing companies obviously require more equipment for production. This equipment can fall into three categories: testing, assembly, and packaging.

Cost of Goods

For a manufacturing company, the cost of goods is the cost incurred in the manufacturing of the product. For a retail or wholesale business, the cost of goods (sometimes called the cost of sales) is the purchase of inventory. To generate a Cost of Goods table, you need to know the total number of units you will sell for a year as well as what other inventory you have on hand, and at what stage of production those units exist. For a manufacturing company, the cost of goods table will include materials, labor, and overhead related specifically to product manufacturing.

V. Sales and Marketing

This section of your business plan describes both the strategy and tactics you will use to get customers to buy your products or services. Sales and marketing is the weak link in many business plans, so take your time with this section. A strong sales and marketing section can serve as a roadmap for you, or as assurance to potential investors that you have a workable plan and the resources for promoting and selling your products and services. The three components of your sales and marketing section include:

Sales and Marketing Strategy

In previous sections, you've been asked to define your product, positioning, pricing, target customer, market, and competition. Now you need to wrap up all those assumptions into a cogent sales and marketing strategy. Think of this statement as an action plan for how you will get customers to buy your products. It will support the tactics you describe later on in this section.

Your strategy may be only a few sentences in length, or it can be a couple of paragraphs. Important elements for a sales and marketing strategy include who you are targeting with your initial push and what customers you have designated for follow-up phases. Other elements of a sales and marketing strategy are:

- How will you find your prospects, and once you find them, how you plan to educate them about your product.
- What features of your product will you emphasize to get customers to notice?
- Will you focus your efforts locally, regionally, nationally or internationally? Do you plan to extend your efforts beyond your initial region? Why?

Method of Sales

Describe available distribution channels and how you plan to use them.

Many entrepreneurs fail to give adequate thought to method of sales. How you get the products to the end user - your method of distribution and sales - is one of the most important elements of your plan. In this section you demonstrate the ability and knowledge to get your products into the hands of your target customers.

Will you be selling directly to your customers? Will you be using sales representatives, distributors, or brokers? Do you plan to have a direct sales force in place?

You must also explain your plan for reaching your distribution channels. Will you be selling directly to your customers? Will you be using sales representatives, distributors, or brokers? Do you plan to have a direct sales force in place?

Tips

- Don't make the mistake of confusing sales with marketing. Sales focuses on how you get your products into the hands of your customers. Marketing is concerned with how you educate your potential customers about your product.
- If you're using an outside or indirect sales force like sales reps or distributors be sure to describe the companies that will be carrying your products. What are the benefits of using these specific firms? What unique talents do they bring to the table?

- Many small businesses assume that a sales effort can be set up with minimal timing, effort and expense. This is not the case. It can take as long as a year for a sales person to become acquainted with a product and territory. Even if you use sales reps who are intimate with a territory and market, expect there to be ramp-up time.
- Don't assume a distribution network will give your products or services equal sales time. You may need to create an incentive structure that will encourage your network to push your products/services.

Advertising and Promotion

Your advertising and promotion campaign is how you communicate information about your product or service. This section should include a description of all advertising vehicles you plan to use - newspapers, magazines, Yellow Pages, etc. - as well as your public relations program, sales/promotional materials (such as brochures and product sheets), package design, trade show efforts, etc

Tips

- Make sure that your advertising and promotion tactics support your sales tactics. For example, if you use sales reps, you will probably need to discuss with them what kinds of promotional materials you will supply.
- Think about using examples or samples to support your discussion of promotional tactics. If you have a copy of an ad you've run, or photographs, include them in your business plan. You can place these samples in a separate "Exhibits" section at the end of the plan.
- If trade shows will be an integral part of your marketing strategy, be sure to include a trade show schedule outlining at which expos you'll be exhibiting. And don't forget to explain why you've chosen those shows.
- If advertising or promotion is a critical expense, you should include an exhibit showing how and when these costs will be incurred.

VI. Management

A good management team can take even a mediocre idea and make it succeed. In fact, strong entrepreneurial teams have been known to move from business idea to business idea, repeatedly creating and running thriving companies. Conversely, weak management often cannot build a strong business out of even the best idea. For this reason, the management section of your business plan must demonstrate that the team you have assembled, or will assemble, is a winner. Each member of management must of course be talented and have experience relevant to your business, but it is also important that the people on your team have complementary skills.

Management Description

Use this section to describe company management including the responsibilities and expertise of each person. Many lenders and venture capitalists base their investment decisions on the strength of the company's principals. Demonstrating that your management team possesses, or will possess, an array of complementary skills will help convince investors that your business has a bright future.

Tips

- Be sure to have major categories of business management covered such roles as marketing, sales (including customer relations and service), production and quality assurance, research, and administration. You do not have to have personnel devoted to each of these areas, but you should have people who will be able to assume these responsibilities as needed.
- Emphasize people who have already committed to working with your business.
- For important positions left unfilled at the time your business plan is assembled, describe necessary skills and job experience.
- If you are young and do not have work experience, or have experience unrelated to the business you are undertaking, develop a strong description of your skills.

Ownership

A short section on who owns and controls your company will help readers derive a better understanding of who will be making decisions. Potential lenders, many of whom will require a significant stake in the company in exchange for funds, will also be interested in what portion of the company's equity is available

Board of Directors/Board of Advisors

A strong board of directors or board of advisors is an asset to a business. It can add credibility to your management team and increase your likelihood of success. In this section, outline who is on your board, listing their names, employment, training, education, and expertise. Highlight each board member's experiences and how they will help your business thrive.

Many small business owners use the skills of board members to provide expertise and assistance they currently cannot afford to hire. If this is the case in your business, use this section of your business plan to play up the fact that your company has acquired this expertise by having a board. If the board members have industry connections, good reputations, or potential to raise capital for your business, be sure to include these facts.

Tips

• Use your board of directors/advisors descriptions as an opportunity to demonstrate your good business judgment by making it clear how each member will positively impact the company.

- Create a board that complements existing management. If, for example, you own a small company but don't have any marketing experience, for example, search for board members who can provide that help.
- Avoid the common mistake of creating a board of directors made up of friends. Make a list of your needs first and then slot friends and colleagues in as appropriate, not the other way around.
- If you have not formed a board of directors or advisors yet, use this section to discuss the kind of talent and experience you plan to assemble for your board.

Support Services

Strong support services - including associations, accountants, advertising agencies, as well as industry-specific services NGOs- help indicate others' faith in your business as well as your ability to attract talent to your business. Having support services in place also indicates to readers of your plan that you have thought through all of the support you will need for the business to thrive. In your description of each support service, describe what strengths the company or individual possesses, as well as what experience or contacts they bring to your company.

VII. Financials

Financials are used to document, justify, and convince. This is the section in which you make your case in words and back up what you say with financial statements and forms that document the viability of your business and its soundness as an investment. It's also where you indicate that you have evaluated the risks associated with your venture

Even if your plan will be used only as a road map for your business development, you still should create a cash flow statement and an income statement so you have figures by which you can gauge your company's performance.

Risks

No business is without risks. Your ability to identify and discuss them demonstrates your skills as a manager and increases your credibility with potential investors. You will show that you've taken the initiative to confront these issues and are capable of handling them. The opposite is also true. Should a potential investor discover any unstated negative factors, it will undermine the credibility of your plan and endanger your chances of gaining financing or other support.

Tips

- Evaluate your risks honestly. Put yourself in a "what if" situation. What if my competition meets my Unique Selling Proposition...what sets my product apart? What if I can't find the right employees?
- Instead of putting your risks in a separate section, you can incorporate them into the various parts of your plan. For instance, you could discuss possible long lead times for subcontracted

parts in the "manufacturing process" section of the plan, or the impact of a lower than anticipated response rate to a direct mail campaign in the "sales tactics" section.

- In many industries, small companies innovate and large companies copy and take the credit. This is always a risk you need to consider. Think of ways you can stay ahead of your competition and retain your Unique Selling Proposition.
- Consider some commonly made small business mistakes as potential risks. Some of the major ones include: paying employees too much; hiring friends rather than the most qualified candidates to fill positions; underestimating costs; underestimating the sales cycle; overlooking competition; trying to be all things to all customers.

Cash Flow Statement

A cash flow statement shows readers of your business plan how much money you will need, when you will need it, and where the money will come from. In general terms, the cash flow statement looks at cash and sources of revenue minus expenses and capital requirements to derive a net cash flow figure. A cash flow statement provides a glimpse of how much money a business has at any given time and when it is likely to need more cash. Analyze the results of the cash flow statement briefly and include this analysis in your business plan.

Tips

- As with all financial documents, have your cash flow statement prepared or at least reviewed by a reputable accountant.
- Avoid an unrealistically quick ramp-up of sales. Most companies experience a gradual increase in sales, even on a monthly basis. A sudden unexplained spike will stand-out and not look like an honest appraisal of your business.
- Include effects of seasonality and business cycles in all projections. For example, if you are in the gift business, you would need to show the Christmas buying season or the Wedding season. If you're a consultant, you might experience higher sales late in the year when companies are trying to use up their annual funds, or at the beginning of the year after budgets are approved.
- Do not fall in to the common trap of underestimating cash flow needs. This can lead to undercapitalization, which means your funds will prove inadequate for meeting your obligations.
- Do not include "projections" that include dates and events already in the past. Old projections are more tolerable if your projections were right than wrong.
- Avoid large income or expense categories that are lumped together without backup information about the components.

Balance Sheet

Unlike other financial statements a balance sheet is created only once a year to calculate the net worth of a business. If your business plan is for a start-up business, you will need to include a

personal balance sheet summarizing your personal assets and liabilities. If your business exists already, include past years' balance sheets up to the balance sheet from your last reporting period. Analyze the results of the balance sheet briefly and include this analysis in your business plan.

Tips

- As with all financial documents, have your balance sheet prepared or at least reviewed by a reputable accountant.
- Do not include "projections" that include dates and events already in the past. Old projections are more tolerable if your projections were right than wrong.
- Avoid large income or expense categories that are lumped together without backup information about the components.

Income Statement

The income statement is where you make a case for your business' potential to generate cash. This document is where you record revenue, expenses, capital, and cost of goods. The outcome of the combination of these elements demonstrates how much money your business made or will make, or lost or will lose, during the year. An income statement and a cash flow statement differ in that an income statement does not include details of when revenue was collected or expenses paid.

An income statement for a business plan should be broken out by month the first year. The second year can be broken down quarterly, and annually for each year after. Analyze the results of the income statement briefly and include this analysis in your business plan. If your business already exists, include income statements for previous years.

Tips

- As with all financial documents, have your income statement prepared or at least reviewed by a reputable accountant.
- Avoid insufficiently documented assumptions about your company's growth. In other words, if you say you expect your firm to grow by 30% in the first year and 50% in the second, you need to document why those numbers are attainable. It can be because similar companies have had this growth path; because the industry is growing at this rate (site the source for this data); or because of projections from a specific market researcher, industry association, or other source.
- Include effects of seasonality and business cycles in all projections. For example, if you are in the gift business, you would need to show the Christmas buying season or the Wedding season. If you're a consultant, you might experience higher sales late in the year when companies are trying to use up their annual funds, or at the beginning of the year after budgets are approved.

- Do not include "projections" that include dates and events already in the past. Old projections are more tolerable if your projections were more right than wrong.
- Avoid large income or expense categories that are lumped together without backup information about the components.

Funding Request and Return

If the business plan is being used to solicit funding, state the amount of funding and the type (debt or equity) of investment you seek. It is important here to provide a breakdown of how the money will be applied. Discuss what effect the capital will have on the business' potential to grow and profit, when the money is needed, and what investment has already been made in the company.

Lenders will also want to know what they will receive in return for their capital. Be as clear as you can in this section both about the potential upside and the potential downside of investing in your business. A common mistake in a business plan is to be unclear in this section, which turns potential investors away

Tips

- Include the following elements as appropriate: minimum amount to participate; how this capital and future investment will dilute current and subsequent ownership; payback period and return on investment; why the investment is sound; collateral being offered; current investors; access to additional funding sources; what percent, if any, an investor could recoup via tax benefits, liquidation or other means if the business goes under.
- Include future financing needs. In other words, don't just look at what you need today, but give an idea of what financing you will need in the future to take your company to the next step toward success.
- Be sure to document how investors will make money and what return they will get. This can't be stressed enough. If you're asking for money, you can't just say something like "you'll make lots of money from this." You need to show how much money they should expect to make from their investment.
- Avoid unrealistic company valuation.
- Don't be penny-wise and pound-foolish by asking for less money than you think you will need, because you think it will help you get the money. It may be better to ask for more than to have to go back to your financial resources when you've run out of cash.

Cover Page Worksheet

This worksheet will prompt you to assemble all of the information you will need to include on your business plan cover page in one place to insure nothing is left out.

The words "Business Plan"
Your name
Your title
Business name
Your logo
Address
Telephone #
Fax #
Email address
Date

Executive Summary Worksheet This worksheet will prompt you for the information that should be included in your executive summary. Pull the information asked for below from the other sections of your plan and keep each answer to three sentences or less. Business concept — the product, the market it will serve, and its competitive advantage. Financial features — information from financial statements and forms that document the viability of your business and its soundness as an investment. Financial requirements — will you make equity available in return for an investment, what other sources of collateral does your business have. Current state of the business. Is your business an S corp, a C corp, a partnership or some other form of business. When was it formed? Owners, principals and key personnel.

Major achievements including patents, prototypes, contracts, and market research indicating that the business is

viable.

FAQ

Do I need a business plan if I'm not seeking financing?

For your small business to succeed, you need to know where you're going and how you'll get there. Creating a business plan forces you to set goals, determine the resources you will need to carry out your plan, and foresee problems that might otherwise broadside you.

If your business plan is not being used to solicit funding you can create an informal plan that serves primarily as a planning tool and a device that will keep you on track. An informal plan can also be used to show to potential business associates and partners.

You can choose from the array of business plan formats to create a business plan that suits your needs. For example, while management biographies are very important to venture capitalists, they are not critical to an informal plan. But, be sure to make your business plan comprehensive enough that it will serve one of its most important functions, helping you to think through the development of your business ahead of time. The minimum any business plan, even an informal one, should include is: business description, target market, competition, positioning, customers, sales distribution and marketing, and a cash flow statement.

How do investors read a business plan, and what do they look for?

Don't expect every person you will send your business plan to read it thoroughly. In fact, you really can only count on them to skim it. Investors know what they're looking for in a plan - they want to see a business that will grow rapidly and someday return a handsome profit.

Your executive summary will likely be the first thing read. Make it stand out by highlighting the unique nature of your product or service, the strength of your management team, and why your business will make money. If the executive summary grabs their interest, many potential investors will move to the rest of the plan. But they probably won't read it in order. Some investors go straight to the description of the management team - they want to see if anyone involved with the company has had experience with successful start-ups, and has relevant experience in this industry. Others may go to the financials section to see when and how you plan to attain long-term profitability.

How long should my business plan be?

30-50 pages should suffice. Anything longer than that and you risk alienating a potential investor, or you force them to skim through the document rather than read it. You won't be impressing anyone by creating a 200-page document - what's contained in the plan is much more important than how long it is. The more concise and readable you business plan is, the more focused your business will appear. If you feel the need to include supplemental information, attach it as an annex to the main body of the plan.

Focus on those details that tell your business' story, that set you apart from your competition, that make your business appear to be a good financial investment, and that show you will be profitable.

In terms of style, make sure your plan looks professional, but not flashy. There's no need to spend lots of time creating glitzy graphics and charts - just make sure that the ones you use tell your story and are easy to read and interpret. You also don't need to use multiple fonts - one or two standard business-like fonts like Times or Arial will do the trick.

Should I hire someone to write my business plan for me?

It is essential that your business plan reflect your personality and your goals. As the small business owner, you need to decide what your business' short and long-term goals are, and you need to make the planning decisions. You cannot leave these decisions up to a surrogate, whether it's a business plan consultant, your lawyer or your accountant.

Moreover, creating your business plan is an extremely useful exercise for you to go through because it forces you to think about many issues small business owners would rather avoid - your industry, position in the market, competition, development and manufacturing capabilities, pricing, risks you may face, and ultimately your profitability. Taking the time to do this yourself will help you focus.

That's not to say hiring a business plan writer is a bad idea. But if you do, make sure you are heavily involved in the process. The writer should spend time interviewing you to get your input and be familiar with your goals and personality. You need to be able to provide documentation for any statement you make in the plan and the finished document must reflect your goals - so don't be afraid to request extensive editing and rewrites if necessary.

If you are not confident in your writing abilities, you might want to hire a business plan writer to rewrite your plan after you've developed a first draft.

Finally, have someone review your plan for grammar and typos before you send it out to investors. Ask a colleague, friend, or spouse to read your plan.

Breakeven Point and Breakeven Analysis

The "Breakeven Point" is an important tool used to calculate the point of pricing and production that will result in neither profit nor loss to the business. Though, obviously, we will want to insure that the business' pricing and production are such that profit will be made!

In VERY simple terms: if your total operating cost for your business was 1000/month, and you sold handloom wall hangings for 100/each, then you would need to produce 10 wall hangings to cover your cost, reaching the "breakeven point".

In real life, thing are not so simple. To begin with we need to know 4 things to calculate accurate breakeven points and analysis for profit, these are:

- 1. Your Fixed Cost/month
- 2. Your Variable Costs/unit
- 3. Selling Price per unit produced
- 4. Expected sales/month

Fixed Cost: Is an amount that remains the same regardless of sales amounts. These are things like rent, insurance, equipment expenses, salaries for permanent staff, etc.

Variable cost: The costs of goods sold to include; raw materials, shipping charges, sales commissions, delivery charges, temporary workers, etc. The variable costs increase directly in proportion to the level of sales.

With this information in hand we can now determine the breakeven point and analyze the profit.

The handloom wall hanging business, on closer inspection, determines the following:

Selling price = 100/unit Variable cost = 40/unit Fixed cost = 3000/month Expected sales = 60/month

1. To determine the breakeven point we calculate as follows:

Selling price (100) less the variable cost (40) = the contribution per unit (60)

Divide fixed cost (3000) by contribution per unit (60) = units needed to sell to break even (50)

100 - 40 = 60/3000 = 50

So in this scenario the business would need to make 50 wall hangings, selling for 100 each, in order to break even.

2. To determine "profit" we would use the same information as above with the following calculation:

Contribution (60) times expected sales (60) less fixed cost 3000 equals = profit (600)

$$60 \times 60 - 3000 = 600$$

These tools are important for any business, providing management with information invaluable in making decisions related to production and pricing. One must always be certain, though, that the related costs and projections are very accurate.

GLOSSARIES

Cash Flow Statement Glossary

Cash sales Income from sales paid for by cash

Receivables Income from the collection of receivables

Other income Income from investments and the liquidation of

assets

Total income Cash plus cash sales plus receivables plus other

income

Material The raw material used to manufacture a product

(merchandise) or the cash outlay for merchandise, or the

supplies used in the performance of a service

Direct labor The cost of labor required to manufacture a

product or deliver a service

Overhead Fixed and variable expenses required for the

production of the product and operation of the

service

Marketing/sales Salaries, commissions, and other direct costs

associated with the marketing and sales

departments

R&D Labor required to support Research and

Development

General and Labor required to support general

Administrative administrative functions

Taxes Taxes, with the exception of payroll taxes

Capital Capital needed to obtain equipment

Loan payments Total of payments required to reduce long-term

debts

Total expenses The sum of material, direct labor, overhead

expenses, marketing, sales, G&A, taxes,

capital, and loan payments

Cash flow Difference between total income and total

expenses

Cumulative cash Difference between current cash flow and cash

flow flow from previous period

Balance Sheet Glossary

Cash Cash on hand in all checking, savings, and short-term investment accounts

when books were closed at the end of the fiscal year

Accounts Income derived from all products or services for which you bill. Calculate receivable

this number based on what is logged into the books at the close of the fiscal

year

Inventory Take this from the cost of goods table. It is inventory of material used to

manufacture your company's products

Current assets Includes cash, accounts receivable, inventory and other assets

Long terms assets are so called because they will last more than one year as Long-term or fixed assets

opposed to short-term assets that are spent or used up in manufacturing

Capital and plant Book value or equipment and property, less depreciation

Investment Investments of the company that cannot be converted into cash in less than

one year

Long-term assets Capital and plant plus investments and any other assets

Total assets Sum of total assets and total long-term assets

Liabilities Liabilities are also categorized as current or long-term

Accounts payable All expenses that are due and payable

Accrued Expenses incurred that have not been paid when books are closed

liabilities

Taxes Due and payable when books are closed

Total current Accounts payable plus accrued liabilities plus taxes

liabilities

Liabilities that are not due in the next 12 months. Long-term

liabilities

Bonds payable Bonds at end of year that are due over a period exceeding one year

Mortgage The mortgage amount due when books close

payable

Notes payable Amount owed on long-term debt that will not be paid during current fiscal

Total long-term

liabilities

Bonds payable plus mortgage payable plus notes payable

Total liabilities Total current plus long-term liabilities

Total assets minus total liabilities **Owners equity**

Income Statement Glossary

Income Income generated by the business

Cost of goods What it costs the business to sell its inventory or service

Gross profit margin Revenue minus cost of goods

Operating expenses Overhead and labor expenses necessary to run the business

Total expensesSum of overhead and labor expensesNet profitGross profit minus total expenses

Depreciation The amount by which the value of a company asset has fallen in a given

time period

Net profit before

interest

Net profit minus depreciation

Interest All interest on debts

Net profit before taxes Net profit minus interest

Profit after taxes Profit minus interest. This is also referred to as the bottom line.

Helpful Websites

The following websites are excellent resources for anyone interested in business plans. They provide free explanations and tools to aide anyone in preparing quality business plans:

http://www.unzco.com/basicguide/c2.html

http://home3.americanexpress.com/smallbusiness/tools/biz_plan/index.asp

http://www.bplans.com

http://smallbizlending.com/resources/workshop/main.asp

SAMPLE CASH FLOW STATEMENT

January February March April May June July August September October November December

INCOME

Cash sales

Receivables

Other income

Total income

EXPENSES

Material

Direct labor

Overhead

Marketing and sales

R&D

General &

Administrative

Taxes

Capital

Loan payments

Total expenses

CASHFLOW

Ending Balance Inc-

Exp

Cumulative cash

flow

Year	1ST	2ND	3RD	4TH	Year	Year	Year
Two	QTR	QTR	QTR	QTR	Three	Four	Five

INCOME

Cash sales

Receivables

Other income

Total income

EXPENSES

Material

Direct labor

Overhead

Marketing and sales

R&D

General & Administrative

Taxes

Capital

Loan payments

Total expenses

CASHFLOW

Ending Balance Inc-Exp Cumulative cash flow

SAMPLE CASH FLOW STATEMENT

	January	February	March	April	May	June	July	August	September	October	November	December
INCOME												
Cash sales	6000	5000	5000	5000	6000	7000	7500	8000	8000	9000	9000	9000
Receivables	2200	2000	2200	2500	2500	3000	3000	3200	3000	2500	3000	3000
Other income (loan)	10000	0	0	0	0	0	0		0	0	0	0
Total income	18200	7000	7200	7500	8500	10000	10500	11200	11000	11500	12000	12000
EXPENSES												
Material	6000	150	300	250	6000	200	300	250	300	7000	300	250
Direct labor	4000	4000	4000	4200	5000	5000	5000	5250	5250	5500	5500	5500
Overhead	700	750	750	800	800	800	750	750	800	850	850	850
Marketing and sales	1000	1100	1100	1200	1200	1200	1250	1300	1250	1300	1200	1200
R&D	0	0	250	0	0	150	0	0	250	0	0	200
General &	500	050	050	400	400	500	500	000	050	700	750	750
Administrative	500	350	350	400	400	500	500	600	650	700	750	750
Taxes	250	250	250	250	250	250	250	250	250	250	250	250
Loan payments	0	0	0	0	0	0	765	765	765	765	765	765
Total expenses	12450	6600	7000	7100	13650	8100	8815	9165	9515	16365	9615	9765
CASHFLOW Ending Balance Inc-												
Exp	5750	400	200	400	-5150	1900	1685	2035	1485	-4865	2385	2235
Amount carried over	0	5750	6150	6350	6750	1600	3500	5185	7220	8705	3840	6225
Cumulative cash flow	5750	6150	6350	6750	1600	3500	5185	7220	8705	3840	6225	8460

- 1. This producer manufactures handicrafts for export markets.
- 2. A loan of 10,000 was secured in January (based on new orders) with a six month grace period.
- 3. Major materials are purchased "in bulk" every 4 or 5 months.
- 4. Marketing activities consist of promotional materials and expenses related to sales/shipping.
- 5. R&D cost relate to use of a design consultant and is infrequent
- 6. Taxes are set at 250 per month
- 7. Loan repayments begin in the 7th month.

BALANCE SHEET

	Year One	Year Two	Year Three	Year Four	Year Five
Assets					
Current Assets					
Cash					
Accounts receivable					
Inventory					
Total current assets					
Long-Term Assets					
Capital/plant					
Investment					
Miscellaneous assets					
Total long-term assets					
Total Assets					
Liabilities					
Current Liabilities					
Accounts payable					
Accrued liabilities					
Taxes					
Total current liabilities					
Long-Term liabilities					
Bonds payable					
Mortgage payable					
Notes payable					
Total long-term liabilities					
Total Liabilities					
Owner's Equity or Liability					

INCOME STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
Income Sales Cost of goods/sales Gross income					
Expenses Marketing Sales Administrative R&D Other operating exp					
Other revenues					
Depreciation					
Profit					
Taxes					
Net Profit					

DEVELOP AN EXPORT MARKETING STRATEGY

Define Your Export Business

The scope of your concept should be large enough to attract enough target buyers to thrive, and simple enough to manage effectively with the available resources. There must be a large enough market to realize an adequate return on investment. Be Creative! Ensure your business concept is truly unique and sets you apart from your competitors.

My firm's export business is:		
It is not:		

***** Profile Your Target Consumers

Fill in what you know or suspect to be your target consumer.

Characteristic	Description	% of Target Market
Age	Infants	
	Toddlers and Children Under 12	
	12- 17	
	18-34	
	35-54	
	55+	
Language	English	
	Spanish	
	Other	
Geographical Region	North Eastern U.S.	
	South Eastern U.S.	
	North Central U.S.	
	South Central U.S.	
	North Western U.S.	
	South Western U.S.	
Urban vs. Other	Live in Metropolitan Areas	
	Live in Non- Metropolitan Areas	
Family Income	Under \$20,000	
	\$20,000 - \$49,999	
	\$50,000 -\$100,000	
	\$100,000+	
Sex	Male	
	Female	
Characteristic	Description	% of Target Market
Education Levels	Elementary	
	High School	
	College/Post Secondary	
Family Status	Single	
	Married with No Children	
	Married with Children	

***** Profile Your Target Customers

Type of Account	Examples	% of Target Market
Independent Specialty Stores		
Specialty Retail Chains		
Department Stores		
Specialty Catalogue Companies		
Internet Companies		
Other Specialty Retailers		
Oner Specialty Retailers		

***** Compare Your Company to Your Key Competitors

Characteristic	Your Company	Competitor #1 -	Competitor #2 -
Size of Company			
Product Assortment			
1 Todact Assortificat			
Unique Product			
Features			
Pricing			
Quality of Products			
Customer Service			
Delivery Lead Times			
Packaging			
Promotional Features			
Other –			

Determine what Company Resources are Available for Exporting Net Profit for Year Ending ______, 2003 Portion of that available for Export Program Estimated Additional Costs for Annual Export Program: Development of Sales Materials \$_ Travel Long Distance Phone **Internet Communications** \$ Administrative Staff **Sales Commissions** Education/Training Special Labelling or Packaging \$_____ Consulting/Advisory Fees Mail/Courier Bank Charges \$ Other _____ **Total Additional Costs** Additional Resources Required to Finance Export Program Source of those Funds Additional Costs of this Financing \$

❖ Delegate Exporting Responsibilities to Your Staff

Job Responsibility	Management Employee	Staff Employee
Market research – identifying target		
consumers, customers and competitors		
Developing sales materials, brochures,		
catalogues, promotional materials, price		
lists		
Costing products for exporting purposes		
Managing sales agents in foreign		
markets, attending trade shows, other		
oversees marketing activities		
Establishing and managing internet		
communications systems, web sites etc.		
Preparing shipping documentation for		
exporting purposes		
Financing and reporting on exports for		
bank purposes		

T 11. C	
Examining credit for export customers,	
1	
issuing letters of credit	

ABOUT THE AUTHORS

Susan B. Hester, Ph.D.

Dr. Hester is an economist specializing in international trade at Dewey Ballantine LLP in Washington, DC. She has over 20 years of experience in the research and analysis of international trade issues and foreign commercial policies for private sector clients and the U.S. government. Her technical expertise includes market access, textile and apparel trade, quantitative and statistical analysis, and trade litigation. Her jointly published papers include: *Semiconductors in China, The Limits of the GATT: Private Practices in Restraint of Trade, The Uruguay Round: Will It Be a Good Deal for U.S. Manufacturing?* From 1984 to 1990 Dr. Hester was a professor at Cornell University in Ithaca, New York. She taught courses in textile and apparel management, marketing, and international trade to undergraduate and graduate students. Dr. Hester lectured in China at the invitation of the Chinese government. Her research on the domestic and global textile industries has been published in the *International Trade Journal*, *Business Economics, International Marketing Review, Apparel Industry Magazine*, and the *Journal of the Textile Institute*. Prior to her appointment at Cornell University, Dr. Hester was an international trade specialist and international economist at the U.S. Department of Commerce. She is currently a USA Board Member of the American & African Business Women's Alliance. She can be reached at shester@dbllp.com.

The author extends a special thanks to Julie McDowell, a former graduate student and now colleague for her collaboration on this project. Julie founded a promotional merchandise company in Canada in 1989 and exported to the U.S. market for 10 years before selling her company in 1999. Julie resides in Toronto, Canada and can be reached at jemcd@interlog.com.

Tim Canedo

Tim Canedo, a Private Sector Business Development Specialist, prepared the section on business planning. A business development specialist with more than 20 years experience implementing enterprise development programs in Africa, Asia, Eastern Europe, and the Caribbean using a subsector approach, he has trained a multitude of institutions, small businesses, and trade associations in business development and organizational management. As the technical advisor to the Small Enterprise Education and Promotion (SEEP) network, he developed and tested tools and techniques to be used in the measurement of performance of business development services (BDS) programs. Mr. Canedo has conducted field work in more than eight countries in southern Africa including numerous assignments in Gaborone, Botswana. He can be reached at tcanedo@chemonics-rapid.com.



Workshop Overview

- What are some promising specialty markets in the United States?
- What skills do you need to export to these markets?
- What can you learn from the experience of others?
- Is your company ready to compete successfully in the international arena?
- What are your options for getting started?

Why Explore Specialty Markets?

- Specialty buyers are
 - More accessible
 - Less rigid in their buying requirements
 - More entrepreneurial in their purchasing behavior

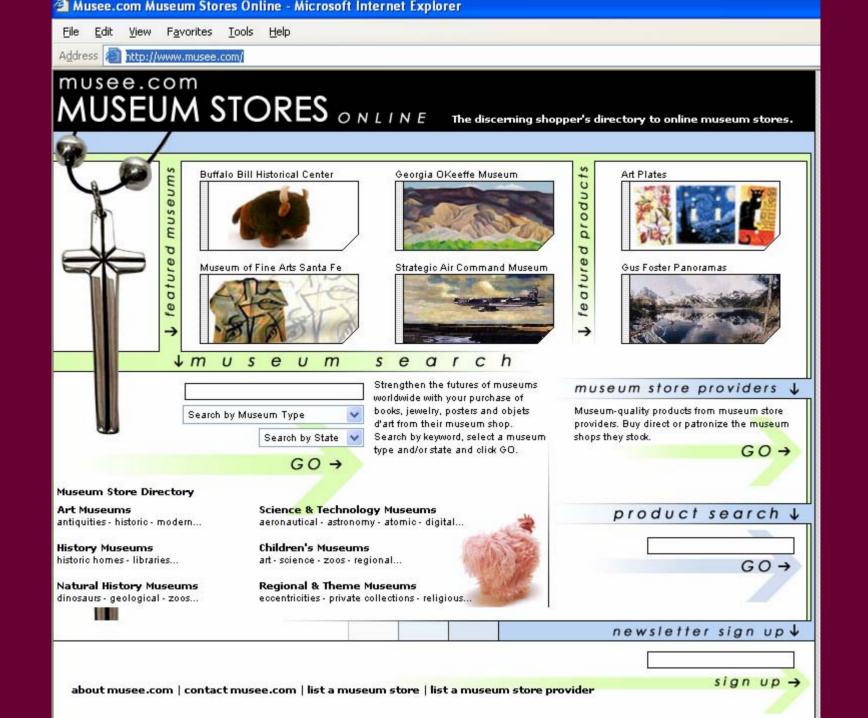
What Are Some Promising Specialty Markets?

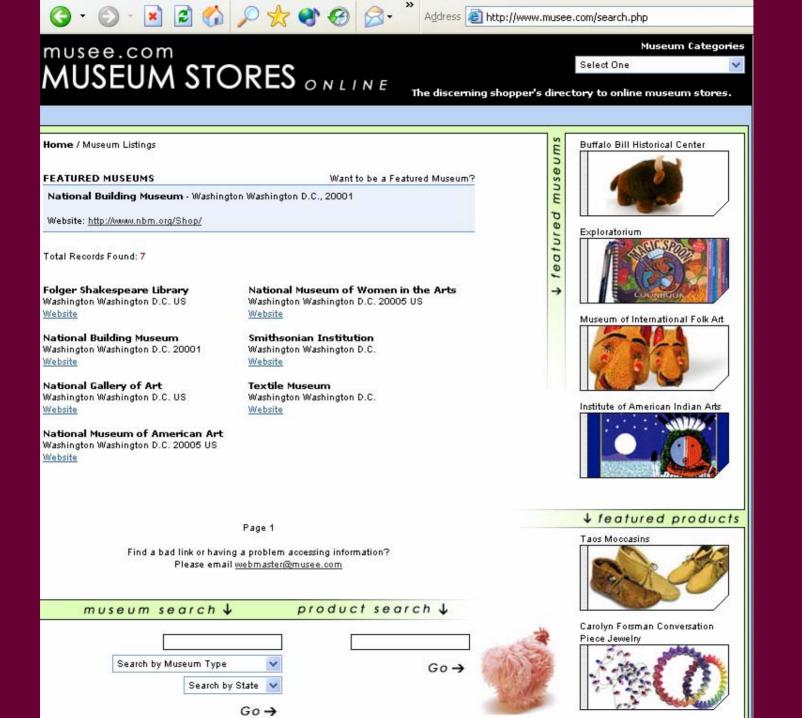
- Museums
- Art galleries
- Zoos
- Independent retailers



The Possibilities Are Almost Limitless

- There are thousands of art galleries, zoos, and retail specialty stores
- The American Association of Museums has 3000 institutional members
- The Museum Store Association has 1900 institutional members







TRAVEL

FEEDBACK

DISPLAY

LINKS















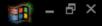
T-shirt and Tote Bag with African Design

The bold black and beige design featured on the 100% cotton t-shirt and canvas tote bag was adapted from a raffia skirt panel (commonly known as a Kuba cloth) made by the Bushong people in the Democratic Republic of the Congo, formerly Zaire (The Textile Museum 24.1, Acquired by George Hewitt Myers in 1933).

T-shirt - please specify size: S, M, L, XL. #32012 \$18.00 (\$16.20 Mem.)

Tote bag - measures approximately: H-14"x W-15"x D-4 1/2" #32022 \$25.00





Smithsonian American Art Museum

Search 📮 Sitemap 🗖

What's New!

Collections & Exhibitions

Education

Study Center

Calendar

Membership

Museum Shop

Art Inventories

Museum Info

Press Room



Postcards, Posters, and Calendars

Museum Shop

Online Special

How to Order

How to Order





Pictured above: Stuart Davis, But'l Surface No. 1, 1960, oil on canvas, 145.2 x 114.6 cm. Gift of S.C. Johnston & Son, Inc.



SmithsonianStore.com - Explore the History! - Microsoft Internet Explorer

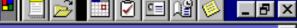














Mende Textiles

In the West African country of Sierra Leone, the Mende are the largest cultural group, numbering more than 1.5 million people. The handmade cotton textiles for which this agricultural people feature elaborate geometric designs are sewn together from narrow strips of loomed cloth.

As elsewhere on the African continent (with Madagascar and North Africa as notable exceptions), men do the weaving in the Mende tribe, working the loom with bobbins held between the toes. Women play a supplemental role, spinning thread or dying fabric. Gara, for instance, is a type of tie-dying both men and women practice.

The notion of separate tasks for the sexes is a well-established tradition among the Mende, Initiation at puberty into the Sande (for women) or Poro (for men) provides acknowledgement of the place an individual holds within Mende society. From that point on, history, tradition, and skills are blended into an ongoing series of rituals that are both practical and spiritual.

Sometimes, the spiritual gives rise to the practical, Most of the captives who sailed from West Africa to New Haven on the Amistad were young Mende, and historians speculate that their recent initiation into their traditional educational societies gave the captives a heightened sense of unity and resolve from which to draw in mounting a successful revolt.







Mirrors \$125

Runners \$165

> Pillows \$50



Bags \$36-60

Photo Album \$11

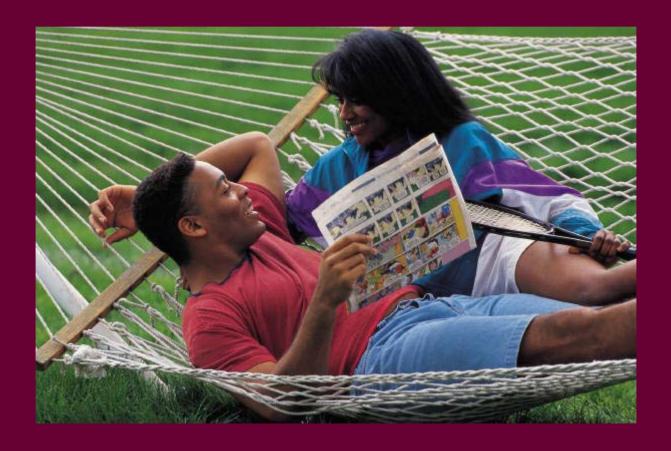




Targeting & Understanding Your Market

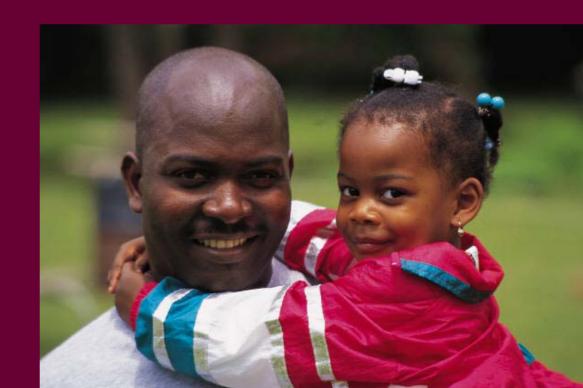
- Consumer
- Customer/Channel of Distribution
- Competition
- Company



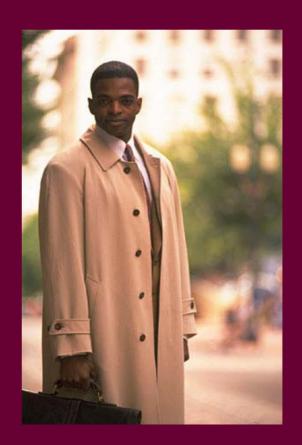


Defining & Understanding Your Target Consumer

Statistical consumer profile



- Statistical consumer profile
- Image perception



- Statistical consumer profile
- Image perception
- Purchasing patterns



- Statistical consumer profile
- Image perception
- Purchasing patterns
- Current attitudes & opinions

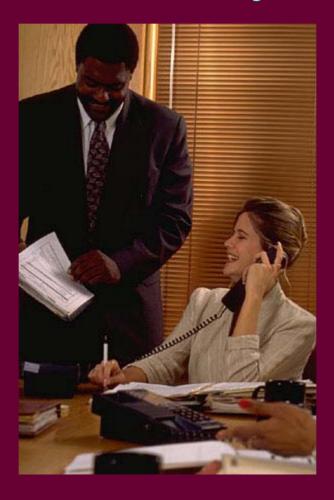


- Statistical consumer profile
- Image perception
- Purchasing patterns
- Current attitudes & opinions
- Changes in values & standards

- Statistical consumer profile
- Image perception
- Purchasing patterns
- Current attitudes & opinions
- Changes in values & standards
- Target consumer's lifestyle



- Statistical consumer profile
- Image perception
- Purchasing patterns
- Current attitudes & opinions
- Changes in values & standards
- Target consumer's lifestyle
- Geographical markets



Understanding How Retail Customers Buy & Sell

Customer profile & share of market



- Customer profile & share of market
- Image perception



- Customer profile & share of market
- Image perception
- Purchasing patterns



- Customer profile & share of market
- Image perception
- Purchasing patterns
- Current customer attitudes & opinions

- Customer profile & share of market
- Image perception
- Purchasing patterns
- Current customer attitudes & opinions
- Changes in values & economic realities

- Customer profile & share of market
- Image perception
- Purchasing patterns
- Current customer attitudes & opinions
- Changes in values & economic realities
- Geographical markets



- Customer profile & share of market
- Image perception
- Purchasing patterns
- Current customer attitudes & opinions
- Changes in values & economic realities
- Geographical markets
- Innovations in retailing

Assess & Out-Perform Your Competition



Assess & Out-Perform Your Competition

Who are your key competitors?





Assess & Out-Perform Your Competition

- Who are your key competitors?
- What are their strengths & weaknesses?





Assess & Out-Perform Your Competition

- Who are your key competitors?
- What are their strengths & weaknesses?
- How big is the market & what share do your key competitors have?



Competition

Assess & Out-Perform Your Competition

- Who are your key competitors?
- What are their strengths & weaknesses?
- How big is the market & what share do your key competitors have?
- What are your competitors' strategies & how are they positioning themselves in the market?

Is Your Company Positioned to Export?



Is Your Company Positioned to Export?

Is your company profitable?

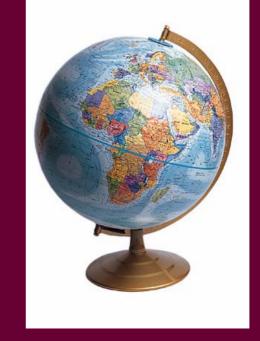


Is Your Company Positioned to Export?

Is your company profitable?

Can you cover the cost to expand into an

international market?



Is Your Company Positioned to Export?

- Is your company profitable?
- Can you cover the cost to expand into an international market?
- Do you have good organizational

systems?



Is Your Company Positioned to Export?

- Is your company profitable?
- Can you cover the cost to expand into an international market?
- Do you have good organizational systems?
- Do you have an adequate line of credit?

Is Your Company Positioned to Export?

 Is there a strong, patient leader in your company?



Is Your Company Positioned to Export?

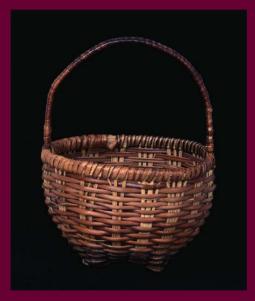
- Is there a strong, patient leader in your company?
- Can your staff do the job well without stressing management?

Is Your Company Positioned to Export?

- Is there a strong, patient leader in your company?
- Can your staff do the job well without stressing management?
- Can you keep up with modern management techniques and changes in the U.S. market?









Characteristics of museum, art gallery &

souvenir retailers



- Characteristics of museum, art gallery & souvenir retailers
- Characteristics of independent retailer
 - Arts & crafts category

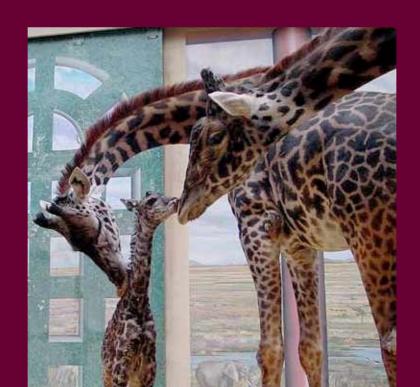
- Characteristics of museum, art gallery & souvenir retailers
- Characteristics of independent retailer
 - Arts & crafts category
 - Apparel category



Stores may be managed by volunteers



- Stores may be managed by volunteers
- Purchases often made by committee



- Stores may be managed by volunteers
- Purchases often made by committee
- Buyers may have other responsibilities



- Stores may be managed by volunteers
- Purchases often made by committee
- Buyers may have other responsibilities
- Buyers may have product specialties

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- Purchases often made by committee
- Buyers may have other responsibilities
- Buyers may have product specialties
- Clients concentrated in metro areas



- Stores may be managed by volunteers
- Purchases often made by committee
- Buyers may have other responsibilities
- Buyers may have product specialties
- Clients concentrated in metro areas
- Curiosity about foreign cultures & products





















African Art Home

General Information What's New Exhibitions Masks On Line Educational Programs Public Programs Community Partnerships Membership

Travel Programs

Publications

Museum Store

Party/Event Space

Museum Links

Volunteers



MuseumforAfricanArt

36-01 43rd Avenue, 3rd Floor Long Island City, Queens, NY 11101 718 784 7700

Contact Us Getting Here Copyright 2003 Museum for African Art Revised 16 February 2004

THE MUSEUM STORE

The Museum Store features crafts from Africa in a wide range of media: cloth, metal, wood, ceramic, straw, leather, gourd, and even plastic. We emphasize the continued vitality and creativity of African design and how well it suits our taste and our style of life.

Most of the items on display have been made in Africa and many of them have been commissioned especially for the Museum Store. Along with new crafts of the highest standards of quality and workmanship we present some examples of older styles. Where possible, we provide information about where, how and by whom objects have been made. We are pleased that we are helping to preserve traditional techniques, encouraging craftsmen to create new forms and bringing money into villages. In Africa, there is no distinction between "art and craft"-- both are useful, both add to the pleasure of life.



All merchandise sold will help to support the educational goals and the exhibitions of the Museum.



Typically located in major urban centers



- Typically located in major urban centers
- Often travel to purchase unique items



- Typically located in major urban centers
- Often travel to purchase unique items
- Seek unusual items for affluent clients



- Typically located in major urban centers
- Often travel to purchase unique items
- Seek unusual items for affluent clients
- Usually operated by owner

- Typically located in major urban centers
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- Usually operated by owner
- May purchase on consignment for expensive items

- Typically located in major urban centers
- Often travel to purchase unique items
- Seek unusual items for affluent clients
- Usually operated by owner
- May purchase on consignment for expensive items
- Often knowledgeable about importing

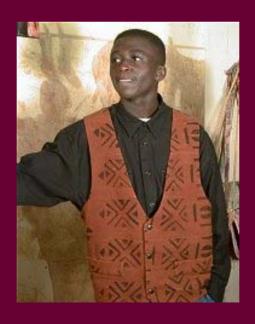




Typically located in major urban centers



- Typically located in major urban centers
- Purchase both abroad & domestically



- Typically located in major urban centers
- Purchase both abroad & domestically
- Very fashion conscious



- Typically located in major urban centers
- Purchase both abroad & domestically
- Very fashion conscious
- Buy seasonally at domestic trade shows

- Typically located in major urban centers
- Purchase both abroad & domestically
- Very fashion conscious
- Buy seasonally at domestic trade shows
- May pose a credit risk



Independent Retailers of Apparel

- Typically located in major urban centers
- Purchase both abroad & domestically
- Very fashion conscious
- Buy seasonally at domestic trade shows
- May pose a credit risk
- May be unfamiliar with importing

Independent Retailers of Apparel

- Typically located in major urban centers
- Purchase both abroad & domestically
- Very fashion conscious
- Buy seasonally at domestic trade shows
- May pose a credit risk
- May be unfamiliar with importing
- May begin with small order quantities

File









▶ women's clothes ▶ men's clothes ▶ fashion accs. ▶ for the house ▶ sculpture ▶ jewelry

African Art Masks and African Clothing

Akwaaba from Ghana!

Welcome To Africana Arts and Crafts!

We are your link to the arts and culture of Africa through our extensive offerings of African art and fashions.

We specialize in unique and comfortable African clothing, jewelry, masks, sculpture and also crafts for the home.



The Africana Arts store is located in Somerville, MA





























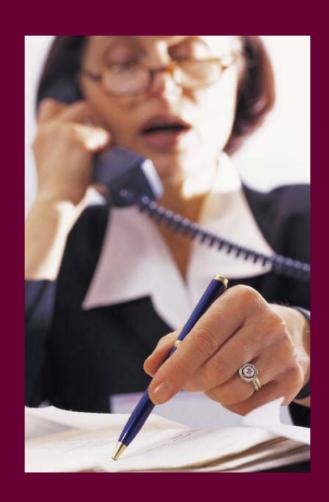
From Ghana, the "Land of Gold", intelligent artists are gradually changing designs from the rich silk and cotton to linen designs.

Designers have modified the unique embroidery to suit the taste of their customers. These designs are uniquely made to fit each customer, no matter your body size. These include simple embroidery for fashion and professional wear, as well as detailed and complex embroidery for custom-made purposes.

In Africa, designing is an act of expressing your mind and emotion to the public.



Getting an Appointment With a Retail Buyer



Getting an Appointment With a Retail Buyer

Researching the store & buyer's preferences







Research

Research Methods

- Visit the retail store
- Check out the web site
- Conduct a buyer survey
- Study the retailer's product line

Research

Specific Questions to Answer

- What are the retailer's price points?
- What are usual purchase quantities?
- Is the purchasing pattern seasonal?
- Who is the target market?
- What packaging/promotion is required?
- What are the typical lead times?
- How will you be paid?

Getting an Appointment With a Retail Buyer

- Researching the store & buyer's preferences
- Making contact with the buyer



Buyer Contact

How to Make Contact

- Write a letter/email of introduction
- Follow up by phone/email in one week
- Call the buyer's assistant
- Try again in one month
- Be persistent
- Know when to move on

Getting an Appointment With a Retail Buyer

- Researching the store & buyer's preferences
- Making contact with the buyer
- Your first meeting or phone call



First Contact

First Impressions Matter

- Anticipate the buyer's needs & wants
- Speak knowledgeably about buyer's concerns
- Respect the buyer's time
- Take careful notes on buyer's preferences
- Present products of interest first

Getting an Appointment With a Retail Buyer

- Researching the store & buyer's preferences
- Making contact with the buyer
- Your first meeting or phone call
- Workbook tools
 - Sample letter to buyer

Getting an Appointment With a Retail Buyer

- Researching the store & buyer's preferences
- Making contact with the buyer
- Your first meeting or phone call
- Workbook tools
 - Sample letter to buyer
 - Sample buyer questionnaire

Understanding Buyers' Expectations

Importance of sample products



Importance of Sample Products

- Your sample is what buyer selects & you must deliver
- Use a detailed label or specification sheet
- Document any changes
- Use opportunity to highlight unique characteristics or history

Understanding Buyers' Expectations

- Importance of sample products
- Quality control issues



Understanding Buyers' Expectations

- Importance of sample products
- Quality control issues
- Size specifications

Size Specifications

- There is no standard for U.S. sizing
- You & your buyer must agree on specifications



Understanding Buyers' Expectations

- Importance of sample products
- Quality control issues
- Size specifications
- Errors & return policies

Errors & Return Policies

- 100% "no-questions-asked" guarantee is standard
- Buyers will return goods not in conformance with purchase orders
- Mistakes may be resolved but with a substantial discount

There May Be Special Requirements

- Packaging & display of your products
- Informational & private labels
- Bar code tickets
- Size & labeling of shipping cartons

Presenting Products & Price Lists to Specialty Buyers

Home & Garden



Add to Bag >

Add to Wishlist ► African Sardine-Wrapper Decoupage Bowl

SKU: AFADE0010

American Folk Art Museum \$38.00 - \$34.20*

Reminiscent of the best examples Pop Art, this sensational bowl is covered inside and out with a kaleidoscopic pattern of recycled sardine-can labels that are découpaged over a papier-mâché base. These vivid, lightweight bowls are made by artisans of the Wola Nani cooperative near Cape Town, South Africa. The sales of their crafts help to sustain the members of their community, which includes many people living with AIDS.

These bowls are for decorative use only and are not suitable for serving food. Because each bowl is handmade of recycled materials, designs and colors may vary. Wipe clean with a damp cloth; do not immerse in water.

10.5" diameter x 5" high

Your purchase supports the exhibits and programs of the American Folk Art Museum.

Presenting Products

- Elaborate & expensive presentation is not necessary
- Well organized & complete presentation is essential
- Workbook tool
 - Sample specification sheet

Presenting Prices

- Your quote should include all associated costs
- Responsibility should be designated for each cost
- Use a detailed price list or written quotation



Quotation Should Include

- Currency used
- Purchase quantities
- Payment terms
- Product guarantees
- Return policies
- Quotation expiration date



Costing Products For Export

- Cost sheet components
 - Calculate usual domestic costs
 - Add special export-related costs
- Workbook tool
 - Sample cost sheet



Getting Paid By Foreign Buyers



- Letters of credit & other secure methods of payment
- Checking bank & trade references

- Why do a business plan?
- What is the importance of business planning?
- What are the benefits of business planning?
- Who should read/use the business plan?

Elements of the written business plan:

- Introductory elements
- Business description
- Market development and production
- Sales and marketing
- Management
- Financials

Introductory Elements

- Cover page
- Executive summary
- Table of contents

Business Description

- Overview of the industry
- A discussion of your company
- Description of your products
- Your positioning
- Your pricing strategy

The Market

- Knowledge of market
- Market size/market share
- Market trends
- Potential for greater market share

Production

- The production process
- Raw materials
- Labor/skill requirements
- Location
- Developmental efforts

Sales and Marketing

- Promoting your products
- Targeting your market
- Marketing strategy

Business Planning

Management

- Who manages?
- Management structure
- Management capacities
- Clear responsibilities

Business Planning

Financials

- Overview
- Cash flow statement cashflowcomplete.xls
- Breakeven point/analysis
 Breakeven.doc

Business Planning

Revising and updating the business plan

- Why revise and/or update
- When to revise or update
- The business plan as a dynamic management tool

AGOA Conference Lessons for Handicraft Producers:

Characteristics of Successful Exporters

Their Products Were

- Beautiful
- Contemporary
- Useful
- Consistently high quality
- Described in a story
- Delivered on time

Successful Exporters Had

- Sufficient production capability
- Good customer service
- Knowledge of trends
- Adequate financing
- Products priced consistent with market and quality

Product Choices

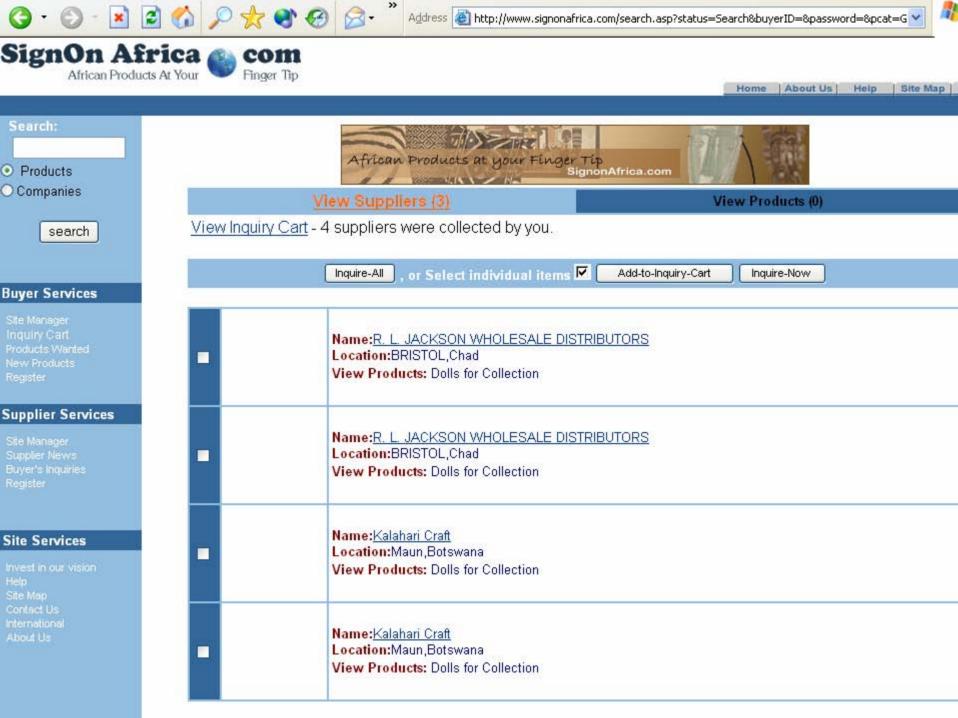
- African design using African materials
- African design using non-African materials
- African materials using U.S. design
- U.S. design using non-African materials

Choice Determines

- Customer type
- Quality standards
- Price points
- Level of production required
- Necessary marketing expertise
- Autonomy of African business

Distribution Options

- Sell to larger African company exporting to the U.S.
- Sell to importer or use sales agent
- Sell directly to retailer





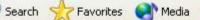
























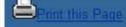








Kalahari Craft



Company profile:

We are the largest San or Bushmen crafts marketing organisation in southern Africa. We also market the unique indigenous San artworks and the typical Botswana baskets from the Okavango region.

Product Range:

Beadwork & Leather Arts and Crafts of Paper Dolls for Collection Dolls for Collection

Embroidery Arts African Carvings (Original and

Reproduction)

Embroidery Arts

Paintings and Scrolls

Basic information:

Year established: 2002

Staff: 5

Capital: Choose Not - Disclose

Annual Turnover: Choose Not - Disclose

Factory location: western Botswana

Business address: P/Bag 266, Maun, Botswana

Contact person: Mr. Robert Man, Ba

Phone: 267 - 6800240

Fax: 00267 6800235

Homepage: www.kuru.co.bw





Bali Stupa

[Indonesia]

We are handicrafts exporter of wooden and ceramics.

Bali Stupa

[Indonesia]

WE ARE BALI STUPA COMPANY, WHICH SITIATED IN BALI. WE DEAL ANY KIND OF WOODEN CARFT AND ACCESORIES FURNITURE.

Beaton distributors

[South Africa]

A distributor of many South African products

Beautiful Candles

[Norway]

I have a totally new business going on, and are looking for distributors especially in Europe and USA., but I also want distributors worldwide. My company Beautiful Candles is the Scandinavian agent... More Details

Begin LTD

[China]

religious gifts, Judaica, arts and crafts for lover, friends, family, holiday etc.

Beijing zhaogezhuang cloisonne factory

[China]

Dear sir, Glad to introduce our company as a leading cloisonne enamel manufacturer in China.and we sincerely invite you to visit our web site http://www.gift-handicraft.com We can supply you al... More Details

BELONG INDUSTRIAL CO., LTD.

[China]

WE ARE A FACTORY MAJOR IN PRODUCING POLYRESIN ARTS AND CRAFTS, SUCH AS PHOTO FRAME, PET, FIGURE, KINDS OF ORNAMENTS FOR CHRISTMAS AND RESURRECTION. AND WELCOME TO OUR WEBSITE - WWW.BELONCO.COM

Ben-Expo flies

[Kenya]

Companies





Companies



Company Profile Company Information Company Name KAYA CRAFT Industry Arts & Crafts Country Swaziland Primary Product Sisal Baskets Years in Business 7-10 Ownership Type Sole Proprietorship Number of Employees 50-200 Business Description We have a group of Women in rural areas who are making the baskets. We dye the sisal for them in different colours. We take it to them they make the basket in their own design and mix colours for themselves. You find that some of the women they have never been to school but making the basket is excellent. We do Export other craft that are hand made in the kingdom of swaziland Export Annualy Not Disclosed Import Annualy Not Disclosed Contact Information Contact Name Mrs dorothy ndzabukelwako p.o. box 2759 Address City mbabane State SWAZILAND Zip sd Telephone 09268-4162514 Fax 09268-4162514

Companies



























site overview shopping education join mailing list contact viewing tips copyright fag/problems press

About Us

aboutus



Our Mission

The most interesting sites on the Internet tend to have something in common, in our opinion, and that is that they were built by a multitude of different people and reflect a variety of voices.

Our intention in designing the AfricanCraft.com web site has been to set up just such a site, where anybody with an interest, or business, in the arts of Africa can contribute information. The result, we hope, will lead to a site that reflects the great variety of ideas and techniques found in the arts of Africa - both traditional and modern.

We wish to provide a venue for all African artisans to showcase their work. Additionally we will showcase product designers whose work incorporates African materials or designs; and will provide information on books, articles and educational materials of interest. In the great linking tradition of the Web, we hope that this site will link together disparate sources of information - from the people who work in the traditional crafts and those who are influenced by them.

The most exciting prospect for the AfricanCraft.com web site, would be for it to act as a giant world-accessible bulletin board! Our job, as we view it, is to keep it running and to organize all the information on it so that viewers can easily find what interests them.

We invite submissions from artisans, product designers, scholars, authors, photographers, merchants, and all who simply have a passion for Africa's designs.

Most of our services are free to qualified individuals and organizations.

There is also a commercial area of the web site, the "Shops", where several retailers offer their product catalogs under a unified ordering mechanism which we maintain.

To find out more about AfricanCraft.com, click on any of the links in the menu on the left. We hope you find the site interesting and if you have anything to tell us about it, please don't hesitate! we'd love to hear it.



browse by:

category

africancraft.com The Shops browse by: vendor





http://www.africancraft.com/shop.php?sid=62102437583588833085524648798605

search

view/edit your order

▶ help

▶ home

▶ my ac

WELCOME to a unique shopping experience at africancraft.com.

You'll find here a huge selection of African arts, crafts, and gifts of the highest quality. All are imported directly from African artisans and designers, to allow you a choice of products hard to find outside Africa, from the convenience of your home.

Shop by vendor at any one of our online stores, or, if you're looking for a specific item (e.g. baskets, or masks, or Kente), select a category from the menu at the ton of each name



African Creations, LLC Textile Art of Africa

African Creations offers a wonderful selection of contemporary mudcloth designs from Mali. Mudcloth throws, shawls, placemats, pillows and paintings. Many new items added, just in time for Black History month! enter >





ABA's Shop

New in Aba's Shop: a selection of artworks from Ghanaian and Nigerian artists and some spectacular Adire (indigo) cloths from Nigeria. Also, a beautiful selection of Bolga baskets, Krobo glass beads and Aba's usual eclectic mix of unusual finds from Ghana, enter >



Hamill Gallery of African Art

A representative selection from the gallery's outstanding collection of over 10,000 African artifacts. These uniquely beautiful items include textiles, masks, figures, beadwork, a great collection of posters and much more. enter >





World Pottery





















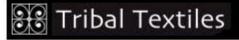












Home | About Us | Collection | Process | Contact Us

Tribal

Traditional

Mud

Geometric

Organic

Kids

Collection

Tribal textiles has a huge range of designs and colour ways. Below you will find some of our ranges showing a small selection of what we can do. Click onto a range to view a sample



Tribal



Traditional



Mud



Geometric



Organic



Kids



























Tribal Textiles

Home | About Us | Collection | Process | Contact Us

Contact Us

Gillie Lightfoot

Director

Tribal Textiles PO Box 100 Mfuwe Zambia

wholesale@africantribalcrafts.com

Your Name

Susan Hester

Your Email

shester@dbllp.com

Your Enquiry

Where can I buy your products in the Washington DC area?

send enquiry

Links

Flatdogs Camp

A fantastic centre for camping or safari holidays www.flatdogscamp.com















Address Addres





Shopping Bag . Your Account . Order Status

SEARCH >

Art & Artifacts: Collecting Trends Home Decor: What's Hot? Jewelry & More Home Decor

Art & Artifacts Gift Finder Outlet Online Catalog

About Eziba Our Story Mission and Values Ethical Guidelines Making A Difference News Job Opportunities Store Locations Contact Us Stories Help



Our Vision, Our Mission, Our Values

When we look to the future of Eziba, our Vision is clear; we're out to

Change the World by Hand

To focus our Vision, and transform it into Action, we've expanded that simple yet profound statement into three phrases that express our Mission:

- Eziba Leads in the discovery and celebration of world cultures by building bridges between artisans, their soulful creations, and the thoughtful global consumer.
- Eziba is growing a profitable business that transforms the traditional marketplace with service that exceeds our customers' expectations.
- Eziba gives back by supporting artisan communities and charitable organizations that share our vision.

And from that Mission we've built a structure of Values by which every product we sell and every way we touch our customers shall be judged. Eziba means:

- . Unique Enjoy the unusual, the one of a kind
- Authentic Connect to the creative spirit in artisan tradition
- . Discovery Adventure into the unexpected
- Premium Experience impeccable taste and quality
- . Beautiful Delight in the senses and the mind
- Sharing Inspire with stories that touch the mind and awaken the heart















Address Addres

Handcrafted Items Globally Sourced

Shopping Bag . Your Account . Order Status

SEARCH >

Catalog Quick Shop Catalog Request

Gift Certificates

Email Sign Up

Art & Artifacts: Collecting Trends Home Decor: What's Hot? Jewelry & More Home Decor Art & Artifacts Gift Finder

About Eziba Stories Help

Online Catalog

Outlet



Rwandan Peace Basket

\$55,00

Description:

- Item # F19492
- Made in Rwanda
- Dimensions (one size): 6" W x 14" H

Options:

black/natural, one size, \$55.00 - available 4/22



large view

Rwandan Peace Basket

Handmade in Rwanda, Women who became widows after the 1994 genocide in Rwanda have woven this intricate, dome-topped basket. The women are from the warring Hutu and Tutsi tribes, and they unite with only natural weaving reeds between them, in the spirit of both peacemaking and entrepreneurship. The shape is striking and cuts a dashing silhouette zig-zag contrasting black designs add graphic, modern style. In a place of prominence, this meaningful basket tells a story and embodies a graceful, uncommon aesthetic.

Eziba has collaborated with the United Nations Development Fund for Women (UNIFEM) and the Women's Business Council for Peace (an outgrowth of the Global Peace Summit held in Geneva in October 2002) to bring you these special baskets, Partial proceeds from sales of the baskets will go towards the Global Peace Fund that supports women's enterprise and peace building efforts around the world.

Read more about Gifts That Give Back.



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Shipping

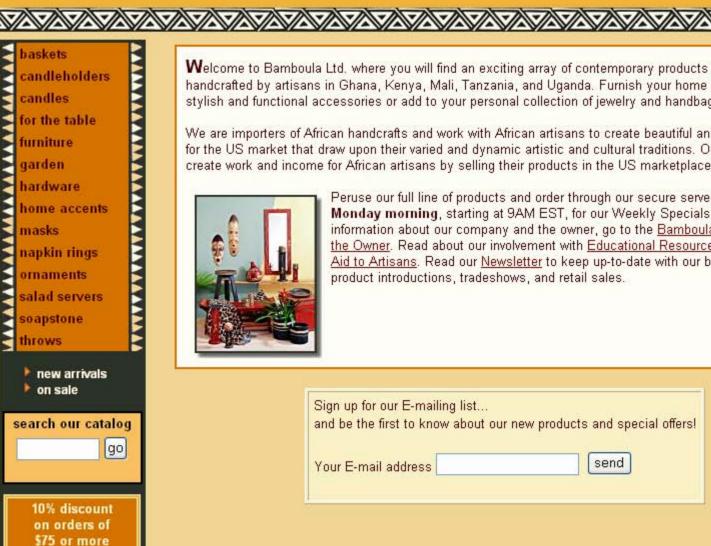
Store Locations

Site Map

Gift Wrap

BRINGING THE SPIRIT OF AFRICA INTO THE HOME





Welcome to Bamboula Ltd, where you will find an exciting array of contemporary products that have been handcrafted by artisans in Ghana, Kenya, Mali, Tanzania, and Uganda. Furnish your home or office with our stylish and functional accessories or add to your personal collection of jewelry and handbags.

We are importers of African handcrafts and work with African artisans to create beautiful and useful products for the US market that draw upon their varied and dynamic artistic and cultural traditions. Our mission is to create work and income for African artisans by selling their products in the US marketplace.



Peruse our full line of products and order through our secure server. Check every Monday morning, starting at 9AM EST, for our Weekly Specials. For more information about our company and the owner, go to the Bamboula Story and Meet the Owner. Read about our involvement with Educational Resources for Kenya and Aid to Artisans. Read our Newsletter to keep up-to-date with our buying trips, new product introductions, tradeshows, and retail sales.

ign up for our E-mailing list	
nd be the first to know about our	new products and special offers!
our E-mail address	send

weekly spec Feb 16, 2004



Set 3 Recyc

Metal C/H: \$20.00 now \$15.99



Bone Bear Candlehold #20 00 now \$15.99

view all ite on sale

wholesale customer log-in here























QUALITY AFRICAN ART & BASKETS













About our Baskets

Absolutely stunning. There is nothing more to say about these incredible, one of a kind, hand woven baskets by the women of Zululand. The baskets come with an informative hangtag that includes the weaver's name. The baskets range in size and style from the smallest herb basket to special marriage baskets woven by young girls for their marriage. The baskets use Ilala palm fibers. All the dyes are natural, derived from local roots, leaves etc. Major museums and galleries feature our baskets.





The Gardners, both African born, have been encouraging the craft of basketry among the Zulu for 12 years. They sell to basket collectors in America and internationally, as well as to major museums and galleries. Prices range from \$5 to \$5000. The value

of the basket depends on fineness of weave, and the quality of dye & artistry rather than size. Photos are available on collector and museum quality baskets. Our stock is continuously changing. We will send a representative selection of the requested items.

Prices & Sizes

Grain & Marriage baskets (4 - 6") \$40.00

Grain & Marriage baskets (6 - 8") \$65.00

Grain & Marriage baskets (8" and up) \$85.00

Bowls (4 - 5" diameter) \$35.00

Bowls (5 - 6" diameter) \$55.00

Bowls (6" & up diameter) \$75.00

Collector Quality (10"+) \$100+

Museum Quality (10"+) \$350+



Product Gallery



Haitian Metal Fish Bowl. More items like this.



Holiday/Ornaments









Lighting/Candleholders 16 items



Kitchen/Tabletop

Accessories 110 items

Rugs/Floor Coverings 7 items



Decorative Textiles 42 items



Desk/Office 10 items



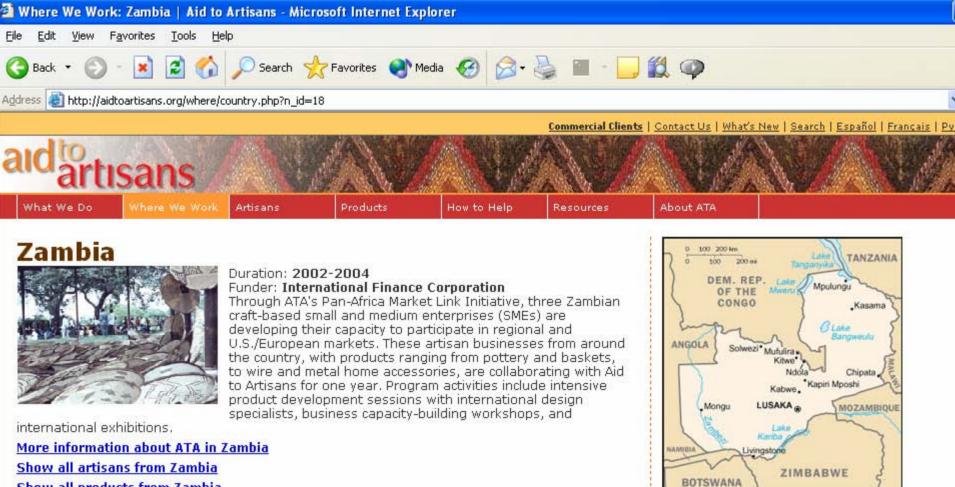
Fashion/Accessories 18 items



Furniture 9 items



3 items



Show all products from Zambia



Bartleby.com

Capital

Lusaka

Population

10,307,333 (July 2003 est.)

Size

752,614 sq km (slightly larger than Texas)

Language(s)

English (official), major vernaculars - Bemba, Kaonda, Lozi, Lunda, Luvale, Nyanja, Tonga, ai about 70 other indigenous languages

GDP

\$8.9 billion (2002 est.)



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artisans

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About ATA

Choma Museum and Crafts Centre Trust Ltd.



The Choma Museum and Crafts Centre Trust, located halfway between Lusaka and Livingstone, has played a major role in the development of rural crafts in Zambia since 1989. Associated to over 450 producers the CMCC is expanding its capacity to export market-ready crafts through ATA's Pan Africa Market Link program, funded by the International Finance Corporation (IFC), an arm of the World Bank. CMCC's work is especially appreciated at this time.

With one of the worst droughts in the country's history, subsistence farmers will need the income generated through basket production to supplement their livelihood.

For these artisans, the sales at the New York International Gift Fair came at an opportune time. Among the best selling items at the winter show were Tonga Plateau baskets made by women in the Southern Province of Zambia, where basketry continues to be the primary craft produced by women.

If you're interested in working with this artisan/producer group, please contact Barbara Czuprynski at artisan@aidtoartisans.org.

Work Sample



Country Zambia

Commercial Clients

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ald artisans

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Moore Pottery LTD.



Moore Pottery is a producer of industrial and studio ceramics, located in Lusaka, Zambia. At the New York International Gift Fair, Moore exhibited a small collection of ceramics, including a line decorated with a stylized guinea hen. ATA's senior design consultant, Frederic Alcantara is working with several businesses in Zambia on full collections for the SARCDA trade show in Johannesburg, South Africa. The International Finance Corporation, a division of the World Bank, funds ATA's work in Zambia.

If you're interested in working with this artisan/producer group, please contact Barbara Czuprynski at artisan@aidtoartisans.org.

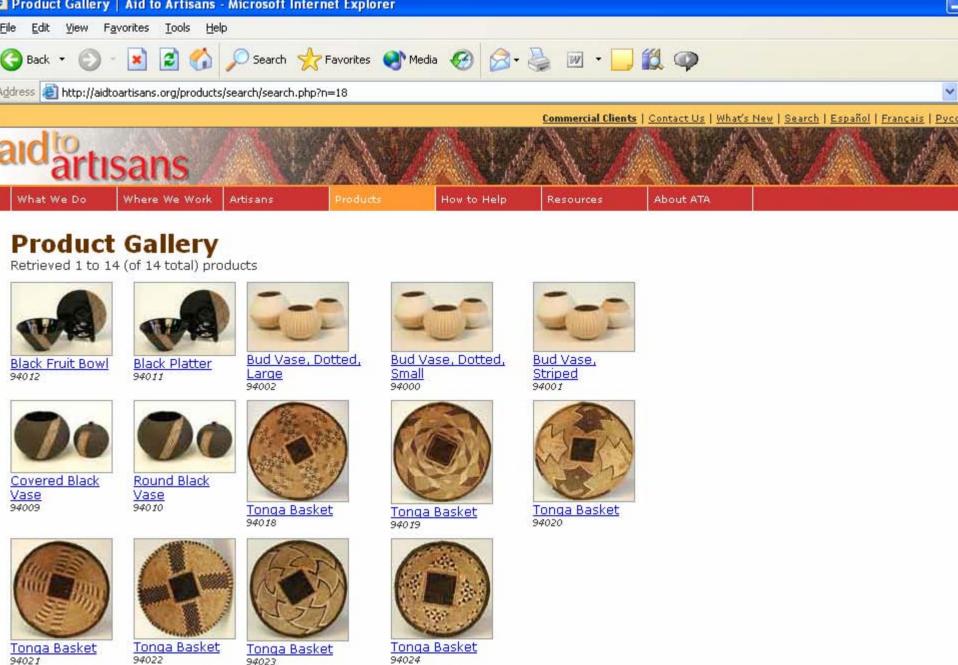
Work Sample



Country Zambia

Commercial Clients

Login or request access to see additional information.

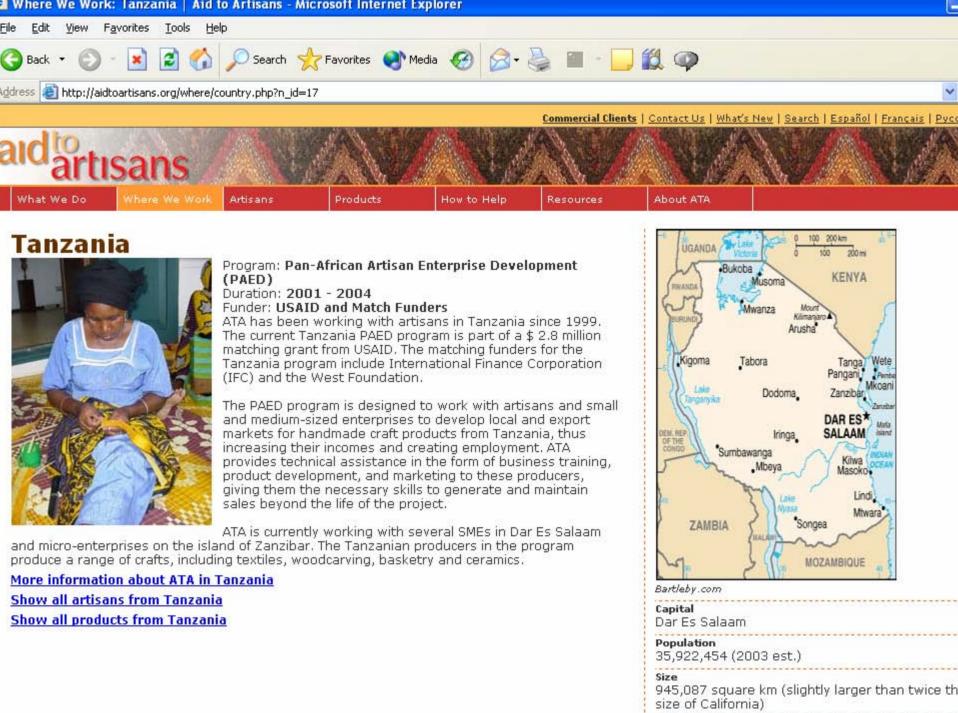


Workbook Exercise

Develop an Export Market Strategy

- Define your export business
- Profile your target consumer
- Describe your target customer
- Compare your company to your key competitors
- Estimate available company resources
- Assign staff export responsibilities









artisans

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About ATA

Handicrafts Marketing Company LTD (Mikono)



Mikono is one of the largest exporters of traditional Tanzianian handcrafts. They currently ship to the United Kingdom, the United States, the Netherlands, France, Italy and Japan. Mikono works with many producer groups throughout Tanzania, some of whom are on their premises in Dar es Salaam, and others who are located in various regions of the country. The company exports a variety of products because the artisan groups that supply Mikono with product work in a variety of media. Some of their most popular products are musical instruments, including drums and marimbas, letter openers, salad servers, masks and stools. Mikono has shipped to American companies like Ten Thousand Villages, and has two retail outlets in Tanzania, both in Dar es Salaam.

If you're interested in working with this artisan/producer group, please contact Barbara Czuprynski at artisan@aidtoartisans.org.

Work Sample



Country Tanzania

Commercial Clients

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ald artisans

What We Do

Where We Work

Address 虧 http://aidtoartisans.org/artisans/artisan.php?a_id=32

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About ATA

Marvelous Batik Co.



This 20-person Tanzanian workshop is equipped to produce screen prints, stencils, batiks, tie and dye and embroidery. Their local business is comprised mostly of clothing, but their international sales are largely tabletop, pillows and other decorative textile home accessories. ATA Trade Network member Leslie Mittelberg, owner of the Oregon-based Swahili Imports, worked with owner Flotea Masawe to develop a line of placemats and pillows in the same earth tones and African motifs. Mittelberg told us that Masaweis concern for her workers goes well beyond the workforce, as she continually teaches them to stay healthy in light of the AIDS epidemic in Africa.

If you're interested in working with this artisan/producer group, please contact Barbara Czuprynski at artisan@aidtoartisans.org.

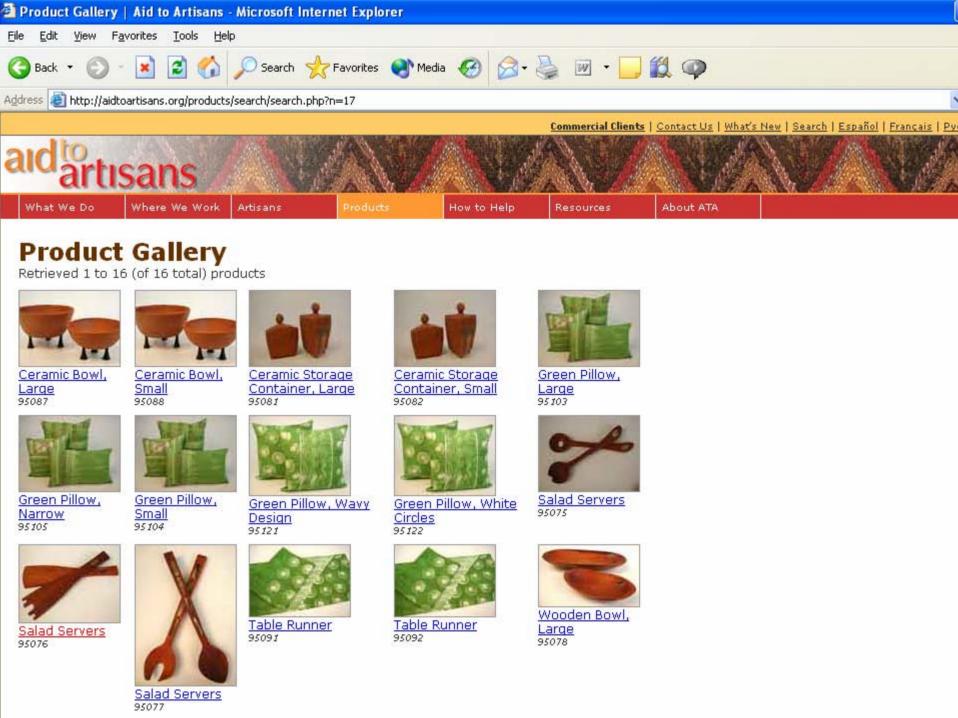
Work Sample



Country Tanzania

Commercial Clients

Login or request access to see additional information.



Shipping Products to the U.S.

- Packaging for overseas shipments
- Documentation & trade regulations
- Finding reliable freight forwarders & customs brokers
- Insurance
- Scheduling & lead times for export shipments

What We Do

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About ATA

Mozambique



Program: Pan-African Artisan Enterprise Development (PAED)

Duration: 2001 - 2006

Funder: USAID and Match Funders

ATA has been working with artisans in Mozambigue since 1998. The current Mozambique program is part of a \$ 2.8 million matching grant from USAID called PAED. The PAED project is designed to help artisans and small and medium-sized enterprises develop local, regional and International markets for handmade craft products from Mozambique, Tanzania and

South Africa.

The matching funders for the Mozambique program include Ford Foundation, Kellogg Foundation, West Foundation, PODE, Ewing Family Trust and many other individual donors.

Mozambique's dispersed settlement patterns and absence of national infrastructure has meant that the most appropriate activities involve micro-enterprises at the grass roots level in periurban and rural settings.

ATA is currently working with micro-enterprises in three provinces; Maputo, Sofala and Nampula. ATA provides technical assistance in the form of business training, product development, and marketing to these producers, giving them the necessary skills to generate and maintain sales beyond the life of the project.

Most of ATA's artisan partners in Mozambique are wood carvers with a long history of craft production, valuable raw material, and boundless talent. Although men traditionally used precious woods for craft production, ATA is conscious of the fact that the trees are becoming increasingly scarce and is committed to promote conservation measures and judicious use of these woods.

More information about ATA in Mozambique

Show all products from Mozambique



Bartleby.com

Capital

Maputo

Population

16,099,246 (July 2003 est.)

801,590 square km (slightly less than twice the of California)

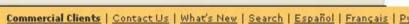
Language(s)

Portuguese (official), indigenous dialects

GDP

\$19.2 billion (2002 est.)





aidartisans

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Incense Burner

50621

About ATA

Product Gallery

Retrieved 1 to 16 (of 16 total) products



Black Container, Large 50667

Incense Container



Black Container, Small 50669

Pen Holder 50674



Bookends 50619



Dancing Vase 50626



Salad Servers 50589





Square Candleholder, Ribbed 50616